SWAZILAND

DEVELOPMENT PLAN PROPOSALS 1965 – 1968

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DEVELOPMENT EXPENDITURE PROPOSALS 1965-1968.

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FOREWORD

This document does not pretend to offer an economic plan for Swaziland. It is no more than an account of past "development" expenditure in the public sector, and a catalogue of how it is proposed to spend the funds allocated by the United Kingdom under the 1965 Overseas Development and Service Act for the period up to 31st March, 1968.

The reason for this is that the statistical information necessary for the preparation of an economic plan for the Territory is not at present available. This defect is, however, gradually being remedied. Surveys of educational planning needs, of manpower availability and of industrial and vocational training requirements have recently been undertaken by United Nations Specialised Agencies; a full scale population census is being planned for 1966 with the assistance of a demographic expert provided under the Special Commonwealth African Assistance Programme; an authority on the localisation of civil services in emergent African states has just completed an examination of Swaziland's deficiencies in this field, also under SCAAP auspices. An economic and statistical unit is being built up under the United Nations Technical Assistance Programme. Finally, an Economic Survey Mission of the Ministry of Overseas Development visited the Territory in November 1965 to examine "the measures required for the development of the economy, and the reduction of its dependence on external aid for recurrent expenditure, and to estimate the extent and phasing of external assistance needed to achieve these ends."

It will, however, be some time before the collection of statistics on the workings of the Swaziland economy and the evaluation of the various expert reports has reached the stage where the information can be drawn together into a comprehensive economic plan for the development of the Territory. In the meantime it is necessary to formulate proposals for utilizing the allocation of development funds referred to above. To delay the submission of these proposals until a proper economic plan could be proposed would adversely affect the amount of any future allocation since an important criterion in determining the size of these allocations is past spending performance.

It seems unlikely that the expenditure proposals outlined in Chapter Four will run counter to the directions indicated by an economic plan. The amount of the allocation has in any case had to be restricted in the light of the present financial circumstances of the United Kingdom. The amount of free grant money available will support an average spending rate of about £1.25 million a year during the next two years, 1966/67 and 1967/68, which is approximately the rate at which present development expenditure is being incurred. Moreover, a large part of present expenditure is devoted to projects which have been in existence for some years, and which are now virtually part and parcel of normal departmental expenditure.

CHAPTER ONE - INTRODUCTION TO SWAZILAND

The Country, its People and its Economy

The Country.

Swaziland covers 6,700 square miles between the 25th and 28th parallels of latitude in South East Africa. The country measures not quite 120 by 90 miles and is the third smallest of mainland Africa (Gambia and Ifni occupy less area), roughly comparable in extent to Yorkshire (6,100 square miles) or New Jersey (7,500 square miles).

On the north, west and south the Transvaal province of the Republic of South Africa borders Swaziland: to the east are Natal province and Mozambique. Though landlocked the country approaches to within 40 miles of the IndianOcean at points in the east.

Four well defined physiographic regions extend north to south in parallel belts. The Highveld (westermost), Middleveld and Lowveld are more or less equal breadth, while the Lubombo is a markedly narrower strip along the eastern frontier.

The Highveld (2,000 square miles) forms part of the Great Escarpment of Africa, in Natal called the Drakensberg. The mountains, mainly of granite or quartzite, are deeply dissected by perennial streams. The altitude ranges from 3,000 to more than 6,000 feet - average about 4,000 feet.

The Middleveld (1,900 square miles) contains large expanses of broken terrain, mostly underlain by gneiss, though there are three major areas of gentler topography, around Hhohho and Ngonini in the Lomati Valley, Malkerns-Ezulwini-Umtilane near the centre of the country and Goedgegun-Dwaleni in the south. The mean elevation is 2,000 feet, with extremes of 1,100 and 3,500 feet.

The Lowveld (more than 2,200 square miles) is undulating or flat with isolated knolls and ridges, mostly of dolerite, rising to 2,400 feet, though the average height above sea level is only 900 feet and some places lie below the 300 feet contour. Geologically the Eastern Lowveld, with a substratum of sandstones, shales and other siliceous rocks, is distinct from the Western Lowveld, resting on basalt.

The Lubombo (close on 600 square miles) forms an impressive scarp, made of resistant rhyolite, interrupted only by the gorges of east-flowing rivers. The mean altitude is 1,800 feet and summits reach 2,700 feet.

Climatologically the regions differ greatly, the only unifying factor being that about 80% of the rainfall of each area comes in summer, from October to March. The Highveld is near-temperate, the Middleveld and Lubombo sub-tropical and the Lowveld near-tropical.

The Highveld's mean annual rainfall is 40 to 90

inches/....

inches, whereas the Lowveld receives only 20 to 35 inches, and in very dry years several Lowveld weather stations have recorded less than 10 inches. The Middleveld and Lubombo have 30 to 45 inches as their mean annual total. Mean temperatures of 61° F. are typical on the Highveld, 68° F. in the Middleveld and on the Lubombo, and 72° F. along the Lowveld. The mean January and July figures vary from 67° F. and 54° F. respectively in the Highveld to 79° F. and 62° F. in the Lowveld.

Swaziland is comparatively well watered: the Highveld network of perennial streams unite to form, from north to south, the Lomati, Komati, Umbeluzi, Usutu and Ingwavuma Rivers. The largest of these are the Usutu, whose catchment covers half the country, and the Komati. Headwaters of both lie in the Transvaal to the west. All these rivers flow out of Swaziland eastwards into the Republic of South Africa or Mozambique. Their mean annual discharge where they leave the country is about 4,800 cusecs (cubic feet per second): the Usutu accounts for almost exactly half this volume.

The Highveld contains deep, drastically leached yellow and red loams (kaolisols). Somewhat shallower fersialitic soils are common in the Middleveld and Lubombo, the latter's topsoil being rich in humus. The Lowveld has a wide variety of soils from sandover-claypan profiles to pockets of deep homogeneous alluvial loams. Very shallow soils (lithosols) are also found in all regions.

The three tracts referred to above of good agricultural land in the Middleveld (Lomati, Malkerns-Ezulwini-Umtilane and Goedgegun) possess well-drained soils of medium texture, often red loams. Other blocks of excellent soil occur in the vicinity of Stegi and Nomahasha on the Lubombo and around Vuvulane, Big Bend and Nsoko. All these are capable of sustained high productivity with good management, including adequate fertilizer applications. Together they make up about 4% of Swaziland: another 10% comprises soils without serious defects, and most of the rest of the country has ground that is ploughable, though hazards of erosion and exhaustion are present.

About 12% of Swaziland is bare rock or stony scree and 7% has badly-drained soil, either marshland or, in the Lowveld, black cracking clays (vertisols) which are fertile but difficult to work.

The climax vegetation of the Highveld is probably forest, but this has largely been replaced by short sour grass. The Middleveld is mantled by tall mixed grassland with some open woodland, while the Lowveld's commonest vegetation types are parkland and thorny wooded savannah, in both of which tall sweet grasses grow. The Lubombo has thorn scrub with some grasslands.

Cropland occupies 15% of the country, planted timber 5% and permanent grazing most of the remaining 80%.

The/.....

The People.

The last full census, taken in 1956, revealed a total population of 241,000 of whom 233,000 were Africans and 6,000 Europeans. Pending results of the 1966 census, due to be held in May, it is impossible to give an exact present-day figure, but a probable 1966 total of 310,000 of whom 298,000 are Africans and 9,000 Europeans may be derived by extrapolations from a sample survey (1960) and partial census (1962). This implies a current mean growth rate of 2.4% annually for Africans, mostly natural increase, and 3.8% for Europeans, mostly excess of immigrants over emigrants. The 3,000 other residents of Swaziland are almost all of mixed race (Eurafricans).

About 90% of the total population are Swazi, 6% are other Africans, chiefly Zulu, and 4% are European or Eurafrican. The highest rural population densities are 300 per square mile, but the national average does not exceed 47 per square mile. In the Middleveld, the most populous region, the mean density is 65 per square mile. By contrast the Lowveld has only 29 inhabitants per square mile on average.

Some 83% of the total population live in rural areas (87% of Swazi, 30% of Europeans). The Swazi dwell in scattered homesteads rather than villages and are traditionally pastoralists with an attitude towards their cattle which is common to most African countries. They regard agriculture more as a means of subsistence than a source of income, although concepts of field husbandry are gradually changing. Realization that a satisfactory living can be made from the land is gaining ground and it is expected that commercial farming income will make an increasing contribution to the cash needs of the rural population.

The towns and villages house 17% of the people. Six are proclaimed townships, including the only place with more than 10,000 inhabitants - Mbabane, the capital, and Manzini, the commercial centre. The other four large villages are industrial in character and more recently founded, three of them post-1948 as against e.g. 1885 in the case of Manzini.

The main source of cash income even in remote areas is wage labour and in 1960 about 40% of rural adult male Swazi were in paid employment and a further 40% had previously been employed. In urban areas the figures were 70% and 20% respectively. The 1960 sample survey found that 43% of the rural male workers and 7% of urban male workers had jobs outside Swaziland, mainly in mining: in the last five years these proportions have decreased greatly.

Returns submitted by employers of 50 or more persons show that their Swazi labour force increased from 8,000 in 1952 to more than 17,000 in 1964 - while the number of foreign Africans they employed rose from 2,000 to 5,500 over the same period. A recent I.L.O manpower survey has

resulted/.....

resulted in the following estimates of total wage employment within Swaziland as at December 1964 :-

		Male	Female	Total
Africans:	Number employed	37,000	8,600	45,600
	(% working age population)	(53)	(12)	(31)
Europeans:	Number employed	2,400	700	3,100
	(% working age population)	(92)	(27)	(58)
Others;	Number employed	600	200	800
	(% working population)	(85)	(25)	(53)
Swaziland:	Number employed	40,000	9,500	49,500
	(% working population)	(55)	(12)	(33)

Farming, forestry and Government service in that order are the main domestic employers of labour, mostly in unskilled manual tasks. The number of Swazi employed in the South African gold mines rose from 6,000 in 1952 to 7,300 in 1962 but had declined to less than 5,500 by December 1964.

Economic growth over the last 15 years has thus markedly increased employment opportunities for Swazi in their own country at unskilled and more recently, semi-skilled levels. However, Swazi as yet play little part in skilled trades which are the monopoly of Europeans, mainly Portuguese in the building trade and South Africans in engineering. Moreover many highly paid manual jobs such as those of semi-skilled drivers and operatives are held by foreign Africans.

A start has been made on the work of training local people to take more responsibility for the development of their country and the management of its affairs. Of the 120 Africans who are University graduates more than half are now Swazi (European graduates number 400). An agricultural college and short course centre at Luyengo are about to open, in February 1966. A public administration institute in Mbabane and the police training college at Matsapa began classes last year.

At the University of Basutoland, Bechuanaland and Swaziland (UBBS, Roma, Basutoland) there are 25 Swazi students and another 130 are or have in the last year been pursuing higher studies elsewhere in the world. By 1964 more than 50,000 African children were at school, including 2,400 in secondary forms: these figures represent a doubling in seven years.

An adult literacy campaign organized privately by the Sebenta Society is beginning to have effect, though the 90,000 adults who, it is estimated, cannot read or write are predominantly rural and contact is not easy to establish. The first national radio station, due to open in March 1966 at Mbabane, will devote a high proportion of its broadcasting time to educational programmes. In training and helping rural communities Oxfam, FAO and UNICEF are actively supplementing Government's latest efforts, which include the establishment of co-operatives and the provision of credit.

The/.....

The Economy.

About 56% of the total area of Swaziland is owned and occupied by the Swazi under a system of communal tenure. The balance, apart from small areas of Crown Land used for public purposes, is held under individual title. European farmers own about 29% of the country, individual Africans 1% and others 6%: the Commonwealth Development Corporation has a stake in 5% of the land and the remaining 3% comprises mainly urban and mission property.

In Swazi Area the economy is based on animal husbandry and subsistence cropping. The 1965 cattle population of the country was 510,000 of which nearly 420,000 belonged to Swazi, although a quarter of rural homesteads owned no cattle. In the words of the 1962 Commission of Enquiry appointed to review the livestock industry, the Swazi "can still only be regarded as cattle-owners and have little knowledge of scientific animal husbandry". Pasture management is poor and overstocking is rife, particularly on initially rather sour grazing land in the Western Middleveld, which has deteriorated to barren or weedy eroded expanses. And yet the number of Swazi-owned cattle has increased by 17% over the last 8 years.

From the 1962 Commission has stemmed a move to modernise stockrearing by the erection of a central abattoir and meat cannery. Built at Matsapa in 1965, this factory will have a throughput of 25,000 head of cattle annually when fully operative. In 1964 sales of cattle, butterfat, goats, hides and skins brought in only £500,000 to Swazi Area, less than £20 per stock-owning family.

Standards of crop farming in Swazi Area, although improving, are still low. In order of acreage planted, the most important food crops grown by Swazi are maize, sorghum, beans, pumpkin, groundnuts and mixed vegetables. Cash crops are produced by, at most, 5,000 Swazi farmers. Cotton is the most important and earned them £52,000 in 1964, the year Matsapa ginnery was commissioned: European and Eurafrican cotton growers had gross returns exceeding £295,000 in 1964.

Sales by Swazi of maize, vegetables, tobacco and other produce realised about £120,000 in 1964. Gross income from their fields averaged £37 per farmer.

Except in a few instances and on a small scale, irrigation agriculture, which in the last 10 years has changed the pattern of farming on land held under title deed, has made no impact on the Swazi. Of 70,000 acres irrigated in the whole country by 1965 not more than 4,800 were in Swazi Area.

For the present, then, Swaziland's agricultural wealth, including forestry, measurable e.g. by its contribution of just under £9 million to exports in 1964, derives mainly from areas occupied by Europeans and CDC, though it was not until after World War II that any marked difference in land utilization was observable between these farms and Swazi Area.

The first significant change came when it was

realised/.....

realised that large Highveld ranches, previously used only for winter grazing of sheep driven in from the Transvaal, were eminently suited for afforestation. Land bought privately by CDC and several independent companies is now covered by 220,000 acres of plantations, mainly pine, but also gum, wattle and poplar.

The largest manmade forest belongs to the Usutu Pulp Company, formed jointly by CDC and Courtaulds, which in 1960 constructed its Bunya pulpmill on the Upper Usutu River and now manufactures 100,000 tons of sulphate pulp annually for export overseas. The second and third largest timber concerns, Peak Timbers and Swaziland Plantations, both in the Northern Highveld, produce sawn lumber and boxboard.

The second significant change came with the appreciation at about the same time of Swaziland's irrigation potential. Previously river water had been largely allowed to run to waste. Three major and several minor irrigation schemes were in operation by 1957.

CDC purchased 105,000 acres of the Northern Lowveld and in 1957 finished building a gravity canal from the Komati River which has a capacity of 280 cusecs and commands more than 36,000 acres, of which 24,000 acres were irrigated in 1965. A number of farmers at Malkerns (Central Middleveld) had completed their canal of 100 cusecs, drawing water out of the upper Usutu, by 1954: it commands 25,000 acres, of which 7,000 acres are or have been irrigated. The third large project is at Big Bend (South-Central Lowveld) where a 120 cusec canal from the lower Usutu serves 10,000 acres. A further 8,000 acres in the vicinity is irrigated by water raised out of the river: the maximum installed capacity of the pumps exceeds 100 cusecs.

Initially rice was the main income-earning irrigated crop. Citrus planted at the same time is now maturing. By 1964 there were 622,000 citrus trees in Swaziland and the value of oranges and grapefruits picked was more than £262,000 in that year: as more trees come into full bearing the annual cash return should rise rapidly.

Even more important to the economy than citriculture has been the establishment of a sugar industry in Swaziland. This was made possible by an agreement reached in 1957 with the South African Government whereby Swaziland received a share, limited to 80,000 tons of sugar per annum, of the South African domestic and export market. The pact was rescinded after South Africa left the Commonwealth in 1961 and Swaziland's sugar production, which rose to 107,000 tons in 1964, is now sold mainly by quota under the Commonwealth Sugar Agreement. Internal consumption in 1964 was 11,000 tons.

The Ubombo and Mhlume cane mills, each capable of manufacturing 80,000 tons of sugar annually, serve the Big Bend and North Lowveld irrigation schemes respectively. By 1960 sugar had become Swaziland's second most valuable export, and

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about the same time total receipts from agricultural exports first outstripped earnings from minerals marketed abroad.

Previously, since 1938, asbestos mined at Havelock had dominated Swaziland's trade. In 1964 production was 40,000 tons and sales at £2,600,000 constituted an eighth of all exports. However, the mine provided about 20% of Government's total internal revenue and is therefore from the viewpoint of public finances still the most important single enterprise in the country. Very large reserves of asbestos fibre are known to exist in the area.

The Ngwenya iron mine, an even larger enterprise, also on the western border, opened in 1964. The owners, Swaziland Iron Ore Development Company, a partnership between the Anglo-American Corporation, C.D.C. and Guest Keen & Nettlefold, are to supply 12 million tons of high grade ore to Japan over 10 years. Their 1965 exports were valued at £2,200,000. Iron ore reserves of at least 50 million tons are thought to exist at and near Ngwenya. The company is investigating the possibility of processing ore locally.

Mpaka colliery (Central Lowveld) was reopened in 1964, and other minerals extracted are kaolin (Southern Highveld) and gold (Northern Highveld). All of these have good prospects for expansion.

Secondary industry in Swaziland is concerned almost entirely with the processing of agricultural, livestock and forest products. Mention has already been made of the two sugar mills, pulp mill and two large timber factories. Other relatively old-established firms include a pineapple cannery at Malkerns, a modern maize mill, creamery and malt factory at Manzini.

In 1964 the Matsapa Industrial Estate, 5 miles west of Manzini town centre was opened. The cotton ginnery and abattoir referred to above have already commenced operations and several other secondary industries are in the process of being established at the site, whose road, rail, water and power facilities give it a high potential for development.

Power is supplied by the Swaziland Electricity Board's hydro-electric project at Edwaleni, 7 miles to the south, with 10 megawatt generating capacity, which began in 1963 to serve the Manzini-Mbabane-Ngwenya area and is now interconnected with Ubombo steam power station (8 megawatts).

The total generating capacity of 40 megawatts in Swaziland includes separate steam plants at Havelock, Bunya, Mhlume etc. Demand for power is increasing rapidly and the Swaziland Electricity Board is planning to increase capacity by 10 to 15 megawatts.

The need for more than 200 cusecs of water, increasing for short periods to 400 cusecs, from the Little Usutu River to drive turbines at Edwaleni has virtually brought to an end run-of-river abstractions from the upper Usutu system. In the whole basin the capacity of irrigation works (canals and pumps) is now 650 cusecs, out of about 1,200 cusecs

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national total. The next step, if either irrigation or hydro-electricity is to be expanded appreciably, will have to be major storage of river water and a request to the United Nations Special Fund has recently been made for technical assistance in planning the optimum development of water resources.

Improvements in communications have played a vital part in the growth of all sectors of the economy. Iron mining would not have gone ahead without construction of the 140 miles of railway between Kadake and Goba, which links the central axis of Swaziland direct to Lourenco Marques' seaport. The line and rolling stock cost £9,000,000. A spur into Matsapa Industrial Estate was added to the railway in 1965.

Before 1960 there were no rural tarred roads in the country, but by 1963 more than 100 miles of black-topping had been completed, viz. the western and central sections of the Trans-Territorial Highway, from Oshoek via Mbabane and Manzini to Mpaka, plus a branch southwards to Bunya. The cost was £2,300,000.

In 1964 the Trans-Territorial Highway was continued as a high-standard gravel road northeast to Nomahasha, which then became the principal customs post on the Mozambique frontier. Several other routes have recently been improved and one now under construction from Sidvokodvo towards Hlatikulu, involving new bridges across the Usutu and Assegai Rivers, will bring much of Shiselweni District 30 miles closer to the Manzini-Mbabane area than along existing circuitous routes.

The 4,000 feet runway of Matsapa airfield was laid in 1961 and a private company, Swazi-Air, commenced regular scheduled passenger and goods flights to and from Johannesburg and Durban in 1965.

There has been a customs agreement with South Africa since 1910, whereby common duties and excise tariffs are maintained and the free exchange of commodities between Swaziland and the Republic is permitted. In 1965 a threefold increase in the country's share of customs revenue was secured. The jump in Swaziland's receipts from this source was approximately £500,000 in 1965/66. There is at present no provision for consultation over the fixing of tariff levels etc. and changes made by South Africa without regard to Swaziland's fiscal and economic needs have sometimes had a restrictive effect on development. However, this disadvantage is counter-balanced by the fact that Swaziland is assured a large and nearby market for products which could not be sold so profitably elsewhere.

The use of a common currency (One Rand = ten shillings) also has advantages for both countries. Swaziland certainly contributes more to, than she draws from, the common pool of foreign exchange, thus materially strengthening the Republic's balance of payments position. On the other hand there are virtually no barriers to the transfer of capital between the two countries and much of the money used to finance development in Swaziland since World War II has been of South African origin.

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In general Swaziland applies South African exchange control regulations with the exception that the funds of Swaziland residents may be freely transferred within the Sterling Area, provided they were not earned in the Republic. On the whole the existing customs and currency arrangements suit the needs of both countries.

To summarize the economic picture, Swaziland's exports and imports over the past seven years are tabulated below. Export statistics have been compiled from official records and are reasonably accurate. However, import figures have been taken largely from traders' returns and are subject to considerable margins of error.

£ million	1958	1959	1960	1961	1962	1963	1964
EXPORTS	3.9	4.4	6.0	6.3	7.6	10.9	11.4
IMPORTS	3.3	4.0	4.1	5.2	7.3	8.9	8.6
EXPORTS of							
Asbestos	2.1	2.1	2.8	2.6	2.5	2.5	2.6
Other Minerals	-	-	-	-	0.1	0.1	0.2
Sugar	0.1	0.4	1.3	1.8	3.0	4.1	3.8
Forest Products	0.4	0.5	0.5	0.3	0.4	2.1	2.9
Citrus	0.1	0.1	0.1	0.1	0.1	0.2	0.3
Cattle	0.3	0.4	0.5	0.6	0.6	0.8	0.4
Seed Cotton	0.2	0.3	0.3	0.4	0.2	0.4	0.3
Rice	0.2	0.2	0.2	0.2	0.3	0.3	0.3
Other Produce	0.5	0.4	0.3	0.3	0.4	0.4	0.6

CHAPTER TWO.

Review of Budget and Development Expenditure.

Introduction.

The history of public finance in Swaziland is marked by a persistent budgetary deficit. In the 59 years since 1907, when the Territory's finances were separated from those of the Transvaal, the revenue budget has been in surplus only 19 times. The reasons for this are dealt with below in the section on the budget, but it will be clear that in such a rigorous financial climate Swaziland could do no more than provide the most rudimentary public services from its own resources.

Development Expenditure.

Swaziland has, however, received capital aid from the U.K.Exchequer, in addition to the budgetary support referred to above. The record of its assistance goes back to the Colonial Development Fund of 1929. The amounts received were admittedly small in relation to later allocations; (£137,000 between 1930 and 1940) and the purpose of the Fund was "to aid and develop agriculture and industry in certain colonies etc. and thereby promote commerce with or industry in the U.K.", but the expenditure, incurred largely on communications and water supplies, was of considerable importance to a Territory whose annual budget was only about £100,000.

In 1940 the Fund was replaced by the Colonial Development and Welfare Fund, whereas the 1929 Act had provided only for assistance by way of capital expenditure, the new Act authorised the issue of funds "not only for schemes involving capital expenditure necessary for colonial development, but also for helping to meet recurrent expenditure in the colonies on certain services such as agriculture, education, health and housing". But although welfare now found a place in the aims of the Fund, the emphasis was to remain on economic development, which was recognised as "the primary requirement upon which advance in other directions is largely consequential. It is by economic development that colonies will be placed in a position to devote their resources, to the maximum extent possible, to the provision of those Government and other services which the interests of their people demand." Up to 1945 when a new Colonial Development and Welfare Act was passed, free grants totalling approximately £140,000 were issued to Swaziland for a variety of purposes, but with the emphasis on education, agriculture and health services.

The 1945 Act was followed by others in 1950, 1955, 1959, and 1963. Altogether, approximately £7,000,000 has been allocated to Swaziland by way of free grants, representing an average of £350,000 a year over the 20 year currency of these Acts (to 31st March 1966). In addition the later Acts provided for the issue of Exchequer loans for projects which could be shown to be self financing. To date Swaziland has raised over £2,000,000 in Exchequer loans, in addition to various other

loans/.....

loans from commercial and other sources. Throughout the period the emphasis remained on economic rather than on social expenditure. In 1955 the Secretary of State reiterated the basic policy of the Development Acts "I do not over-estimate the importance of basic social improvement in colonial territories. But colonial governments will defeat their own objects if they saddle themselves with a crippling burden of recurrent charges on capital which does not earn a return. The only certain way of providing for these recurrent charges is to see that a proper place is given in development plans to these basic services which make a more direct contribution to the expansion of the Territory's resources."

It will be seen that the bulk of Swaziland's development expenditure has been incurred since 1945. The effect of this expenditure on the economy and public finances of the country therefore constitutes a necessary introduction to the present development expenditure proposals, which are outlined in Chapter Four.

Development 1945 - 55.

Under the Colonial Development and Welfare Act of 1945 Swaziland received an allocation of just over £1,000,000. At this period the problems facing the Administration were enormous. Revenue and Expenditure were of the order of £380,000 per annum; there was one important asbestos mine but in other respects the economy showed little sign of life. In the field of agriculture, afforestation had not yet begun and the few irrigation projects which were in existence were designed solely to meet the smallscale needs of individual farmers. In the Swazi areas conservation farming was unknown; ploughing was carried out up and down hill and extended to sponges and the very banks of streams; seed was planted by broadcast methods; kraal manure was regarded as a saleable commodity and virtually no use of artificial fertilizer was made. The school population numbered no more than 11,073 Africans, 539 Europeans and 195 Eurafricans. Education to matriculation standard was conducted at one European but at no African or Eurafrican schools: it was not until 1951 that the first Swazi student wrote the matriculation examination of the University of South Africa at school in his own country. There were no facilities whatsoever for trade training. There were 10 Government or Government subsidized doctors for a total population of 185,000 persons but no private medical practitioners. The number of beds in Government and Mission hospitals was 214 and there were 16 outlying clinics. Malaria, tuberculosis, bilharzia and malnutrition were rife, particularly in the lowveld. The road system was primitive and, with the onset of the summer rains, large stretches became impassable: the Territory could not boast a single foot of black topped road: bridges were lacking, even over some of the most important rivers, and travelling at all seasons of the year was hazardous. Even in the townships life was uncomfortable since there were no Government owned electricity or sewerage schemes and a piped water supply was the exception rather than the rule. The postal system was in no better state. Apart from the existence of the Havelock asbestos mine, little or nothing was known about the rest of the Territory's mineral resources.

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There was therefore great scope for development expenditure and the problem was mainly one of deciding upon priorities. After advice had been given by an expert economist from the United Kingdom, it was decided that the most urgent problem was to stabilize and improve the use of the soil in the Swazi areas, and between 1948 when the first Development Plan came into operation, and 1955 when it came to an end, a minor revolution had been achieved in this respect. By 1955 the greater proportion of arable lands had been protected by the establishment of grass filter strips and the construction of major contour furrows. This was accomplished largely by a spectacular increase in the extension staff of the Land Utilization, now Agriculture, Department, whose efforts in this period were inevitably directed mainly towards the protection of the soil rather than towards achieving an increase in its productivity. Slightly over 40% of the development funds placed at the Territory's disposal in this period were devoted to Land Use schemes.

The next most important field for development was regarded as Education and just under 24% of available funds were made available for its improvement. These were used to strengthen the headquarters staff of the Education Department; to increase the scale of assistance given to the missions for the provision of classrooms, books and equipment, mainly in the primary schools; to expand the Trades School in Mbabane and to provide facilities for the teaching of building, carpentry, motor mechanics and blacksmithy; to expand the Swazi National Schools and extend the scope of tuition up to matriculation level; to establish a small teacher training school for African teachers; and to expand considerably the accommodation available in both European and Eurafrican schools. The result of these measures was to increase the total enrolment in African schools from 11,073 in 1946 to 21,441 in 1955. The comparable figures for the other two racial groups were :- Europeans 539 and 913, Eurafricans 195 and 340. In addition, by 1955, 30 teachers and 53 trade trainees were undergoing instruction in Government or Government-aided institutions at any given time.

Just over 17% of the available funds were allocated to the improvement of medical services. These made it possible to increase the number of beds in all hospitals from 214 in 1946 to 324 in 1955; to build 5 additional clinics; and to come to grips with both the malaria and leprosy problems.

Mineral development accounted for 13% of the available funds. These were used to finance the basic costs of mapping and the detailed examination of a number of promising occurrences. It is interesting to note that amongst the latter were the high grade iron ore deposits at Ngwenya which have at last provided the economic justification for the construction of a railway in Swaziland.

Expenditure on public works accounted for no more than 5.6% of the available funds and was devoted to the improvement of short sections of road and the construction

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of two major bridges.

The allocation of funds under the Colonial Development and Welfare Act of 1945, all of which were made by way of direct grant, was therefore as follows :-

	Per Cent.
Agriculture	40.3
Education	23.7
Medical	17.4
Mineral Development	13.0
Public Works	5.6
	100.0

Development 1955-60.

The period from 1955 to 1966 has been covered by three development plans, the first dealing with the period 1955 to 1960, the second 1960 to 1963 and the third 1963 to 1966. The aims of all three plans were roughly the same and the situation called for a very different approach from that adopted in 1945. Even before the start of the first period very heavy investment had been made by the Commonwealth Development Corporation and private enterprise, mainly in the forest industry and irrigation agriculture, and it was abundantly clear that major improvements would have to be made to the road system if it was not to break down under the strain of moving the large tonnages of traffic involved in the development and exploitation of the newly established projects.

During the 1955/60 period the emphasis was placed on the construction and betterment of the roads needed to link the most important areas of production with their nearest points on the South African railway system. The major features of the road development programme during this period were :- the construction of a new road to good gravel standard between Lukula and Gollel to serve the needs of the Big Bend area, including the construction of a high level bridge over the Great Usutu River; the construction of a similar new road, together with bridges, between Pigg's Peak forestry projects and the border; the construction of a new road between the headquarters of the Swaziland Irrigation Scheme and the Border Gate; the re-alignment and reconstruction to good gravel standard of the road between Oshoek and Manzini, together with the replacement of all bridges, to handle the increasing flow of traffic between Breyten and the areas of Mbabane, Manzini and Malkerns, and the construction of new bridges over the Komati River at Balegane and over the White Umbuluzi River on the road between Manzini and Mliba: a start was also made on the construction of a new road to gravel standard to link the Usutu Pulp Company's mill with the main road network at Mahlanya. In addition to these major works an extensive programme of road betterment, including drainage, gravelling and minor re-alignment was undertaken throughout the Territory, with the result that at

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the end of the period Swaziland could boast of a reasonably satisfactory all-weather road system.

During this period a total of £909,000 was spent on road improvement from C.D.& W. sources and a further £480,000 from loan funds, making a total of £1,389,000.

The balance of expenditure on public works during this period was incurred on the construction of Government housing and public buildings, and the improvement of water sewerage and electricity services in the townships. A start was also made on what proved to be a series of railway surveys. This brought the expenditure on public works for the period, from both loan and C.D.& W. sources, to £2.208 million out of total development expenditure of £2.886 million. By previous Swaziland standards this represented very heavy expenditure, but a successful start had been made on providing the basis needed to support the rapidly expanding economy.

After the Public Works Department, the Agricultural Department was the second largest spender of development funds. In its case the main emphasis continued to be placed on the conservation of soil and water supplies, both by mechanical means and by stock redistribution; on the teaching of improved agricultural and animal husbandry practices; and on the establishment of an expert research branch, including a soil survey unit.

In all £320,000 of C.D. & W. money was spent on agricultural services. The results were not spectacular and the gap between the productivity of European and Swazi owned areas continued to widen, a not unnatural development in all the circumstances. The main emphasis during this period was placed on rural development, including agricultural education and extension, grazing control and agricultural research.

At the start of the development period the telecommunications system was primitive. Telephone calls from one part of the Territory to another had frequently to be routed through South African exchanges, much of the network was obsolete and in need of replacement, new facilities were needed by the recently established development projects and outlets to neighbouring territories were totally inadequate. An amount of £97,000 was therefore spent on the first stage of a comprehensive programme of expansion and rehabilitation.

This period, during which £102,000 of C.D.& W. money was spent on educational services, saw a very considerable expansion of these in spite of the relatively small amount of development funds allocated to them. This is largely because the development expenditure was mainly incurred on capital works and the resultant recurrent expenditure on education was met from the normal budget. Between 1955 and 1960 expenditure on educational services from normal budgetary sources increased from £105,000 per annum to £249,000 per annum. During the same period the total enrolment at all schools increased from 21,441 in 1955 to 36,000 in 1960.

Expenditure/.....

Expenditure on medical services over the period amounted to £81,000. Perhaps the most spectacular achievement was the bringing to a successful conclusion of the anti-malaria campaign in the lowveld, which has now been virtually freed of this disease, with important consequences for irrigation agriculture in general and the sugar industry in particular. The number of hospital beds rose from 324 to 634 and for the first time special wards for the treatment of tuberculosis were provided at certain of the hospitals. Three new clinics were built, bringing the total to 24, and the number of medical practitioners rose from 12 to 25.

The work of the geological survey was continued and intensified, particular attention being paid to the exploration of known coal deposits in the lowveld.

During the 1955/60 period C.D.& W. grants totalling £1.561 million were made available to Swaziland and allocated as follows :-

	Per Cent.
Agriculture	20.5
Education	6.5
Medical	5.2
Mineral Development	5.0
Public Works	62.8
	100.0

During the same period loans totalling £1.325 million were raised and allocated as follows :-

	Per Cent.
Telecommunications	7.3
Housing	36.4
Roads	36.2
Water and sewerage	5.8
Electricity	11.7
Public Buildings	2.6
	100.0

The allocation of the total development funds made available, £2.866 million, was therefore :-

	Per Cent.
Agriculture	11.1
Education	3.5
Medical	2.8
Mineral Development	2.7
Public Works	76.5
Telecommunications	3.4
	100.0

Development/.....

Development 1960-63.

The period 1960-1963 saw the consolidation of this programme. The main emphasis was placed on the task of completing the infrastructure needed for the successful development of primary and secondary industry and the bulk of the available development funds was again spent on public works, principally roads. This period also saw the start of two large scale development projects designed to have an important bearing on the future economy of the Territory. The first was the rail link between the iron ore deposits at Ngwenya in north western Swaziland and railhead at Goba in Mozambique. Although primarily designed to handle ore traffic, the line was routed through some of the most productive areas of Swaziland with a view to tapping other traffic for export overseas. The second project was the hydro-electric scheme at Edwaleni which was designed in its initial stage to meet the power requirements of the iron ore mine at Ngwenya, as well as those of the townships of Mbabane and Manzini and the Malkerns area. Lack of power had been an inhibiting factor in the development of secondary industry in Swaziland, and it was hoped that when the electricity undertaking was commissioned in 1964 the last main obstacle in the way of such development would have been removed.

The most spectacular aspect of the road development programme arose from the undertaking given by the Government to the Usutu Pulp Company to provide a black-topped road between the company's mill at Mhlambanyati and railhead whether inside or outside Swaziland. This involved a possible commitment to provide such a road running from the mill through Manzini and Stegi to Mhlumeni on the Mozambique border. Because of the tight nature of the timetable, it was necessary to proceed with the construction of this road east of the point which would have been necessary to discharge Government's obligation, if a decision on railway construction had been taken in time. A mission from the International Development Association visited the Territory in early 1961, however, saw the work which had been accomplished and appreciated the importance to the Territory of building a first class trans-territorial highway from Oshoek on the west through central Swaziland to some point on the eastern border. Towards the end of 1961 agreement was reached in principle for a credit of the dollar equivalent of £1 million to be made for the construction of such a road, to be black-topped between Oshoek and Mpaka near the foot of the Lebombo escarpment, and thence built to good gravel standard to Nomahasha on the north eastern border. A formal credit agreement was signed in early 1962 and by the middle of that year 40% of the whole road had been completed and opened to traffic. The project was completed towards the end of 1964.

The Public Works section of the programme also provided for the construction of a new water supply scheme for Manzini and for sewerage schemes both at that township and at Mbabane. Expenditure of £341,000 was thought necessary for the construction of Government housing and £225,000 for Public buildings, the largest single item

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being in respect of a new headquarters building for the Public Works Department. During the period a central airfield was built at Matsapa capable of handling medium-sized aircraft, the first of its kind in the Territory.

The Telecommunications programme begun in the 1955-60 period was carried a stage further at a cost of £265,000 with the result that by the end of the period the system was reasonably adequate for existing needs. The territory's economic development was, however, continuing rapidly and it was recognised that further expansion would be necessary in the following development period.

After public works, Education claimed the next largest share of development funds, £668,000. This made possible a considerable expansion in both primary and secondary facilities and the total enrolment at all schools rose from 36,000 in 1960 to 47,000 in 1963. Considerable attention was paid to the improvement of standards in the African and Eurafrican secondary schools and a considerable advance was made towards closing the gap between these and the European schools. The period also saw the opening of a new training college for primary school teachers, with a potential output of 50 per annum, and of a clerical training centre with a potential output of 15 per annum.

A total of £277,000 was allocated to Agriculture and the programme of agricultural education and extension, soil conservation and research continued on much the same lines as before.

£160,000 was allocated to the improvement of Medical Services. This made possible an increase in the number of hospital beds from 634 in 1960 to 653 in 1962 and an increase in the number of clinics from 24 to 26. A considerable part of the allocation was also used to expand the staff of the Medical Department.

By the start of the development period the major part of the cost of Geological Survey had been transferred to the local budget. This expenditure was supplemented by a C.D. & W. grant of £11,800 to finance a small drilling unit which did valuable work in the exploration of further mineral deposits, principally of gold, kaolin and asbestos.

During the 1960/63 period C.D.& W. grants totalling £1.972 million were made available to Swaziland and allocated as follows :-

	Per cent
Agriculture	14.1
Education	33.8
Medical	8.1
Mineral Development	0.6
Public Works	43.4
	100.0

During the same period loans, totalling £3,295 million

including/....

including the I.D.A. credit of £1 million, were approved and allocated as follows :-

	Per Cent.
Telecommunications	8.0
Housing	10.4
Roads	61.2
Water and sewerage	8.3
Electricity	2.9
Public Buildings	6.8
Airfields	1.8
Townships	0.6
	100.0

The allocation of the total development funds made available, £5.267 million, was therefore as follows :-

	Per Cent.
Agriculture	5.8
Education	11.3
Medical	3.3
Mineral Develcpment	0.3
Public Works	73.8
Telecommunications	5.5
	100.0

Development 1963-66.

The original Development Plan for the period was drafted on the assumption that the period to be covered by the new Commonwealth Development Act would be one of five years. It provided for Government expenditure of £6.57 million, of which £4.56 million would be C.D.& W. and £2.01 million loan. In addition the Railway and Electricity Boards were to spend approximately £7.76 million and £1.91 million respectively in completing the railway and hydro-electric projects on which construction had begun in 1962/63. It was also expected that the Freedom from Hunger Campaign Fund would provide about £140,000 to establish an Agricultural College and that United Nations funds would contribute just over £125,000 to a tuberculosis control project. The total public development expenditure to be incurred over the five-year period was therefore in the region of £16.5 million.

After the original plan had been drafted it was decided that the currency of the new (1963) C.D.& W. Act would not extend beyond 1966. A C.D. & W. allocation of £2.3 million was made for the period 1963-66. A further £80,000 was provided from Central and Research allocations. In November 1964 a supplementary allocation of £175,000 was received. In addition there were unspent balances totalling approximately £69,000 from previous allocations. The total amount of C.D. & W. funds available for the period 1963-66 was therefore £2,624,000. Loan funds

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were also available under the C.D. & W. Act. No ceiling was placed on expenditure from loan sources, but the requirement for grant-aided territories that loan projects should be capable of generating sufficient revenue to meet loan servicing charges naturally brought about a drastic reduction in the loan programme as originally envisaged.

Other External Aid.

For the first time external aid from sources other than the United Kingdom exchequer became available on a substantial scale. As mentioned above, the Freedom from Hunger Campaign Fund in the United Kingdom provided a large sum for the establishment of an Agricultural College and Short Course Centre. As a result of rising building costs the Freedom from Hunger Fund eventually agreed to make a grant of £175,000. Oxfam provided a further £50,000 and C.D. & W. sources met the remaining £55,000 of the total cost of the institution (£280,000). Other Oxfam assistance was provided for a variety of agricultural and public health projects. In all, this organization made available £123,000 including the £50,000 for the College. A breakdown of this figure is given in Table 2 at the end of this chapter.

Substantial assistance was also received from the United Nations Organization, under the Expanded Programme of Technical Assistance and the Regular Budget programmes of certain of the Specialised Agencies. In calculating the amount of assistance received from these sources, allowance has to be made for the fact that United Nations aid is on a calendar year basis. During the three calendar years 1963-65 approximately £110,000 was made available. The projects on which this assistance was spent are also listed in Table 2.

Railway and Electricity Development.

To complete the picture of public expenditure, reference must be made to the programmes of the Railway and Electricity Boards. Although both Boards commenced their projects during the period 1960/63 the bulk of the expenditure was incurred during 1963/66. The amounts involved were, in round figures, £8 million by the Railway Board on completing the railway from the iron ore mine at Ngwenya to Goba in Mozambique (a distance of 136 miles), and £1.8 million by the Electricity Board in a central hydro-electric supply scheme with an initial capacity of 20 MW.

Allocation of Funds.

The amount available for development expenditure was therefore £12.8 million, excluding loan assistance. During the period two loans were raised, £50,000 for the development of the Matsapa industrial area and £145,000 for telecommunication expansion. These loans brought the total for 1963/66 to approximately £13 million. This sum was

allocated/.....

allocated as follows :-

	£'000	Per Cent.
Infrastructure	10,100	77.6
Economic	1,213	9.3
Social Services	1,502	11.5
Administrative	208	1.6
	13,023	100.0

A breakdown of these figures by sources of finance is contained in Tables 3 and 4 at the end of this chapter. The comparative figures for the two immediately preceding periods were :-

1955/60	£'000	Per Cent.
Infrastructure	2,290	79.9
Economic	396	13.8
Social Services	180	6.3
Administration	(Included under Infrastructure)	
	2,866	100.0

1960/63	£'000	Per cent.
Infrastructure	4,177	79.3
Economic	321	6.1
Social Services	769	14.6
Administrative	(Included under Infrastructure)	
	5,267	100.0

The emphasis on infrastructure is still very great, but the bulk of this expenditure was financed by external loans raised on behalf of the Railway and Electricity Boards, and made no call on funds available from Her Majesty's Government for general development purposes. If these items of expenditure are left out of account the percentage of funds devoted to the various categories becomes :-

	Per Cent.
Infrastructure	9.4
Economic	37.5
Social Services	46.6
Administration	6.5
	100.0

This clearly demonstrates a shift of emphasis from infrastructure to economic and social services. Since a large part of the expenditure in the administrative category was devoted to surveys and planning designed to make possible the further expansion of economic and social services, the trend away from infrastructure is even more pronounced. This trend reflected the completion of an infrastructure

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adequate to support the current level of economic development and the growing concentration of expenditure on raising productivity, particularly in agriculture, and on meeting the Territory's pressing need for trained local manpower.

Another feature of the 1963-66 figures is the extent to which external aid has come from other than United Kingdom sources. Of the total Railway and Electricity expenditure (£9.8 million) only £1 million was obtained from the United Kingdom. The rest came from the International Bank for Reconstruction and Development (£1.5 million) and from private capital in the Republic of South Africa. The full United Kingdom contribution to the total expenditure of £13 million was £4.1 million or 31%.

Since many of the projects comprising the 1963/66 development expenditure programme will be continued during the next period, the following brief summary of 1963/66 expenditure will serve as a useful background against which to view the proposals which are set out in Chapter Four.

Infrastructure.

The Railway is primarily concerned with moving ore traffic to the port of Lourenco Marques (approximately 1,200,000 tons per annum), but it also handles pulp and petroleum and will cater for other traffic generated by the development of the Matsapa Industrial area and the facilities offered for inward freight movements through Lourenco Marques.

The hydro-electric scheme was completed towards the end of 1964. It has a capacity of 10 MW which was considered to be adequate to meet all demands within the distribution area until 1969, when a further expansion of 10 MW was planned. There has, however, been a rapid increase in the demand for power and sales rose from 17 million units in 1964/65 to 30 million units in 1965/66. The Board is therefore already planning extensions to both generation and transmission systems.

Since there was a heavy expenditure on roads during the period 1955-63 Swaziland is now served with a main road system capable of meeting all normal demands by the private sector. The only road item included for 1963/66 was for the Matsapa administrative and industrial complex (£111,000). There will, however, continue to be abnormal demands from the major industrial concerns, and a further road development programme is being planned.

The rest of the infrastructure expenditure dealt with telecommunications, for which £145,000 was approved, representing a further stage of the expansion programme carried out in the two previous periods, and with the planning and development of urban areas, particularly at Mbabane and Manzini, for which £44,000 was allocated.

Economic.

This section absorbed about 37% of all development funds available to Government, and apart from a small amount for mineral surveys and other geological work (£37,000) and for the development of the Matsapa industrial area (£50,000) was devoted in full to the improvement of Swazi agriculture. The programme covered research, education and training, credit, co-operatives, demonstration schemes, soil conservation, extension work and livestock improvement. Fuller details of the individual schemes comprising this programme, which totalled £895,000, will be given in Chapter Four, which deals with the continuation and expansion of the various schemes during the next two years.

The development of an industrial area was a natural consequence of the heavy investment in infrastructure. The existence of a railway and good road communications, adequate power supplies and telecommunication facilities paved the way for the establishment of secondary industries. A suitable area was purchased and the layout of the first stage of development was completed.

The expenditure programme also envisaged the start of an aerial geophysical survey by the United Nations Special Fund. The country has been fully mapped on a scale of 1:50,000 and investigations have been carried out on all mineral occurrences revealed by surface indications. The next stage is to establish what mineral resources exist in the subsurface geology, and this work would have been facilitated by the aerial geophysical and ground gravimetric surveys which were planned to begin during 1963/66. The gravimetric survey was undertaken but the negotiations over the Special Fund project took longer than expected, and the aerial geophysical survey is now timed to begin in 1966. It was, however, possible to recruit a geophysicist for a programme of underground water investigations. The importance of this project is related to the Territory's capacity to support a rapidly increasing stock population without causing irreparable damage to the soil and vegetation cover.

Social Services.

The expenditure programme for 1963/66 envisaged a major expansion of education and training facilities. As in the case of agriculture a statement of policy and detailed information on individual schemes will be given in Chapter Four. It will be evident from Tables 3 and 4, however, that next to agriculture, education and training occupied the most prominent place in the programme. The education section covered as wide a field as funds permitted. It aimed at the maintenance of existing primary coverage (which meant an increase in the face of population increase), expansion of secondary, technical and teacher training facilities, the improvement of the inspectorate and the extension of existing work in the fields of adult eduction and housecraft. In statistical terms this expenditure raised the total enrolment from 47,000 in 1963 to 52,838 in 1965. The number of schools increased from 350 to

374, and the number of teachers from 1367 to 1557, indicating that the emphasis was on improving and expanding existing institutions rather than on establishing new schools.

On the training side, emphasis was placed on in-service training, with provision for supernumerary training grade posts to make this possible, and on adequate scholarship grants to enable every Swazi who had the requisite ability to take advantage of further education facilities available outside the Territory. The training proposals had the benefit of expert advice from two experts in localisation and training who visited Swaziland during the period.

In the medical field provision was made for a modest expansion of hospital and clinic facilities and staff, and for the local counterpart assistance to the U.N. Tuberculosis Control project.

The programme provided for expenditure of £130,000 on the establishment of a broadcasting service. This service is a top priority, but difficulties in completing the planning of the project and in recruiting staff delayed the introduction of the service until 1966.

Funds were also made available for the establishment of a small social welfare and community development organization. Both are administered as part of the department of Local Government. In this way District Administration staff have been identified more closely with the development of the communities under their jurisdiction.

Administrative.

The bulk of the expenditure was devoted to maintaining the P.W.D. planning unit which had played such a large part in the expansion of the road communication system in earlier periods. Although there was only a small road development programme during 1963/66, the unit was engaged on the survey of new routes, the improvement of existing alignments and a variety of other work. In addition the building section of the unit assisted with the public works programme. Other projects in the administrative category were intended to tackle the task of improving the statistical foundation for future development programming. One such item, the survey of river water resources, was also the continuation of an existing project, but others were new and suffered from recruitment difficulties. It was, for instance, planned that surveys should be undertaken on manpower availability and requirements, and the educational facilities needed to satisfy the latter, on national income, trade statistics, balance of payments, foreign exchange earnings etc., but the expert staff required to undertake these tasks were not available until towards the end of the period. The vital task of providing the statistical foundation necessary for future development planning has therefore had to be carried over to the next programming period.

Budget/.....

Budget Expenditure.

The persistent deficit which has characterized Swaziland's budgetary history has been referred to at the beginning of this chapter. In the 59 years since 1907 the revenue budget has been in surplus only 19 times. In the first few years deficits were met by raising a loan of £80,000 from Basutoland. From 1911 to 1925 a precarious solvency was maintained by selling Crown Land. 1926, however, saw the beginning of a long period of deficits, which was only interrupted for short periods in the 1940's and 1950's. These deficits were met by grants in aid from the U.K. Exchequer. Up to 1965/66 approximately £5.3 million had been made available for budgetary support.

These bald figures are sufficient to disclose the basically unhealthy financial position with which the Territory has had to contend during its existence, but they do not disclose the source, or rather the sources, of the affliction. The most striking feature of the revenue and expenditure graphs, even after making allowance for population increase and the fall in the real value of money, is the remarkable upward trend from the late 1940's onward, and especially the increases during the last few years. It is therefore desirable to dwell in some detail on the budgetary position during the post-war years.

The revenue and expenditure picture from 1946/47 to 1964/65 is summarised in Table 5. Dealing first with revenue the salient points are, firstly, the overall increase - 480% in 19 years and, secondly, the part played by Income Tax in this increase - over 900% increase as compared with 470% for Customs and Excise and 276% for Other Revenue. The income tax increase is closely associated with the development of the Havelock Asbestos mine, which has at times contributed up to 50% of the total revenue of the Territory, and even in 1964/65 accounted for over 20% of the total. Fluctuations in the yield from this source have therefore had a marked effect on the budgetary position. Customs and excise revenue derives from an Agreement with the Republic of South Africa under which, during the period in question, Swaziland received .149% of the total receipts of the Customs area, which included Basutoland and Bechuanaland Protectorate. Since tariff levels and other factors affecting the importation of goods are administered unilaterally by the Republic this source of revenue lies outwith the control of Swaziland, but on the other hand, taking into account the relative lack of buoyancy elsewhere in revenue, it is not improbable that the territory has benefitted from the steady growth of the Republic economy. (The revenue figures of the pre 1939 period certainly suggest that this was the case). As regards Expenditure, the overall increase was 714%, but the more significant figure was the increase in Public Works Extraordinary expenditure - 3,400% - which was almost entirely caused by the very large programme in 1964/65 and which represented over 50% of the annual deficit. The rapid increase in expenditure during the last five years is referred to below, but quite apart from the reasons given

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there it will be evident that a basic cause of the budgetary imbalance must be the relative high administrative overheads which exist in a small territory such as Swaziland. It has in fact been calculated that as early as 1953/54 the cost of administration, as distinct from the cost of providing economic and social services, was very high in comparison with other African countries.

More important than this, however, was the pattern of budgetary surpluses and deficits throughout the period.

In the financial year 1946/47 revenue was £377,000 against expenditure of £387,000 and at the end of the year the Territory's surplus balances were reduced to about £90,000. During each of the next three years the budget was again in deficit and in 1949/50 a grant-in-aid of £70,000 was necessary. 1950/51 was a standstill year in which it was just possible to balance the budget with revenue and expenditure of roughly £559,000. In the following year expenditure was deliberately and firmly held to the level of the previous year and an increase in revenue of almost £100,000 laid the foundation on which a substantial surplus balance was built up in the early and middle 1950's.

By the start of the 1955-60 development period in 1955/56 revenue had increased to £975,000 and expenditure to £981,000 and the surplus balance stood at £472,000, a reasonably satisfactory position and one which had resulted in the release of Swaziland from Treasury control. During the next two years the surplus balances were increased by about £200,000, but in the 1958/59 the first of a series of deficit budgets was introduced and the surplus balances began to be drawn down until they became exhausted in 1961/62, when a grant-in-aid of £262,000 was necessary. Grants-in-aid were required on an increasing scale in 1962/63, 1963/64 and 1964/65, as the following table shows:-

	Revenue £	Expenditure £	Deficit. £
1958/59	1,325,000	1,414,000	89,000
1959/60	1,453,000	1,630,000	177,000
1960/61	1,562,000	1,820,000	258,000
1961/62	1,901,000	2,279,000	378,000
1962/63	1,960,000	2,505,000	545,000
1963/64	2,053,000	2,935,000	882,000
1964/65	2,201,000	3,770,000	1,569,000

The reasons for this serious decline in the financial position over the relatively short period of seven years need some explanation. It is necessary in the first place to stress that the favourable financial position which had been achieved in 1957/58 had been made possible only by the exercise of the utmost restraint over expenditure proposals advanced in preceding budgets. Once the various development projects

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which had been established in this period approached the exploitation stage, restrictions on expenditure had inevitably to be relaxed and a very heavy strain was placed on the budget in meeting the cost of the various services required by the new projects at a time when they had not started to contribute directly to the Territory's revenues. Without this expenditure, which Government was under a moral obligation to undertake since it had deliberately encouraged the establishment of industry in the Territory, the successful exploitation of the various projects would have been jeopardized and confidence in the economic future of Swaziland would have been lost.

A contributory factor was that during the 1955/60 period the Territory was required to contribute progressively towards the recurrent costs of development projects, financed initially from C.D. & W. sources, until the entire recurrent burden fell on the local budget in 1959/60. When this policy was initiated, there was some hope that the newly established industries would become liable to income tax in the early 1960's and that solvency might be maintained. For a variety of reasons, this hope has not been realised and there is now little prospect of tax from any of these industries until well after the end of the 1963/66 development period.

Unfortunately, Swaziland's financial difficulties at this time also coincided with a period of unfavourable marketing conditions for asbestos, the Territory's most important export, and total revenue from mining declined by some £100,000 over the period, a most serious drop in revenue for a Territory which was (and still is) unable to offset such losses by other fiscal measures. The rapid deterioration in the budgetary position during the last two years was, however, caused primarily by the need to embark on large capital works programmes arising from the political disturbances of 1963. These included heavy expenditure on military, police and prison buildings. But even if this extraordinary expenditure is left out of account the deficit on recurrent still showed a widening trend, from £510,000 in 1962/63 to £764,000 in 1964/65.

To sum up: the basic budgetary problems of Swaziland during this period were firstly the overwhelming proportion of revenue derived from sources over which the Government had no control, and which exhibited substantial fluctuations, the sudden pressure for increased expenditure on services for new agricultural and industrial projects and the underlying high cost of administration, both of which showed a marked tendency to outstrip the revenue increases which these administrative services were expected to generate.

TABLE 1.

PROJECTS TO BE FINANCED BY FUNDS OTHER THAN THOSE AVAILABLE UNDER THE 1963 COMMONWEALTH DEVELOPMENT ACT.

OXFAM

	£	£
Agriculture		
Lebombo Quarantine Station	3,000	
Umbuluzi Leper Settlement Farm	5,529	
Eluyengweni Settlement Scheme	9,850	
Rural Domestic Water Supplies	770	
Small Scale Irrigation Schemes	1,000	
Livestock Improvement/Dairy Project	1,800	
Handicraft Development	8,750	
Experimental Unit Holdings	3,535	
Agricultural College and Short Course Centre	49,147	
Houses for Domestic Science Demonstrators	900	
Water Supplies Resettlement Areas	2,000	
Swazi Settlement Scheme - S.I.S.	6,472	
Co-operative Department	8,900	
Famine Relief Measures	10,000	
Maize Seed Subsidy	1,250	
Boreholes for Stock	2,500	
		115,403
Medical		
Health Education and Nutrition Unit	5,500	
Red Cross	2,500	
		8,000
		123,403

FREEDOM FROM HUNGER

Agricultural College and Short Course Centre	175,000

UNITED NATIONS AGENCIES

Tuberculosis Control (WHO)	55,000	
Credit Bank Adviser (FAO)	10,500	
Education Planning Mission (UNESCO))		
Manpower Assessment Survey (I.L.O.))	c. 7,000	
Vocational Training Expert (I.L.O.)		
Rural Education and Nutrition (FAO and UNICEF)	15,000	
Dried Milk Scheme (UNICEF)	c.20,000	
Economist (B.T.A.O.)) appointed		
Statistician (B.T.A.O.)) Oct. '65.	3,500	
		111,000

+ excluding Fellowships.

TABLE 2.

DEVELOPMENT PROGRAMME 1963-66: SOURCES OF FINANCE.

£ THOUSANDS

CATEGORY	C.D. & W.	LOAN	U.N.AGENCIES	OXFAM	F.F.H.	RAILWAY AND ELECTRICITY LOANS	TOTAL
Infrastructure	155	145	-	-	-	9,800	10,100
Economic	863	50	10	115	175	-	1,213
Social Services	1,397	-	97	8	-	-	1,502
Administrative	205	-	3	-	-	-	208
TOTALS	2,620	195	110	123	175	9,800	13,023

TABLE 3

DEVELOPMENT PROGRAMME 1963-66: PROJECTS AND SOURCES OF FUNDS

£ THOUSANDS

	C.D.& W.	LOAN	U.N.AGENCIES	OXFAM	F.F.H.	RAILWAY AND ELECTRICITY	TOTAL
1. INFRASTRUCTURE							
Railway Construction	-	-	-	-	-	8,000	8,000
Hydro-Electric Scheme	-	-	-	-	-	1,800	1,800
Telecommunications	-	145	-	-	-	-	145
Townships	44	-	-	-	-	-	44
Roads	111	-	-	-	-	-	111
TOTAL INFRASTRUCTURE	155	145	-	-	-	9,800	10,100
2. ECONOMIC							
Agriculture	542 Dev. 72 Res.	-	-	106	175	-	895
Co-operatives	42	-	-	9	-	-	51
Credit	170	-	10	-	-	-	180
Mineral Development	37	-	-	-	-	-	37
Industrial Area	-	50+	-	-	-	-	50
TOTAL ECONOMIC	863	50	10	115	175	-	1,213

+ plus £44,000 from revenue from sale of land.

TABLE 3 (Continued)

£ THOUSANDS

	C.D. & W.	LOAN	U.N.AGENCIES	OXFAM	F.F.H.	RAILWAY AND ELECTRICITY	TOTAL
3. SOCIAL SERVICES							
Education	708	-	7	-	-	-	715
Training	224	-	-	-	-	-	224
Medical	273	-	90	8	-	-	371
Broadcasting	122 D 8 C	-	-	-	-	-	130
Social Welfare	20	-	-	-	-	-	20
Community Development	42	-	-	-	-	-	42
TOTAL SOCIAL SERVICES	1,397	-	97	8	-	-	1,502
4. ADMINISTRATIVE							
P.W.D.Planning Staff	135	-	-	-	-	-	135
Hydrology	52	-	-	-	-	-	52
Police Training	1	-	-	-	-	-	1
Statistical Unit	14	-	3	-	-	-	17
Economic Unit	-	-		-	-	-	
Local Costs, U.N. Projects	3	-	-	-	-	-	3
TOTAL ADMINISTRATIVE	205	-	3	-	-	-	208
GRAND TOTAL:	2,620	195	110	123	175	9,800	13,023

TABLE 4

REVENUE AND EXPENDITURE 1946/47 - 1964/65.

Year	Revenue comprising £	Income Tax £	Customs and Excise £	Other £	Recurrent Expenditure £	Capital (P/E) Expenditure £		Surplus or Deficit £
1946/47	377,000	103,000	65,000	209,000	364,000	23,000	-	10,000
1947/48	389,000	106,000	64,000	219,000	389,000	51,000	-	51,000
1948/49	422,000	125,000	68,000	229,000	414,000	68,000	-	60,000
1949/50	480,000	186,000	57,000	237,000	423,000	63,000	-	6,000
1950/51	559,000	234,000	69,000	256,000	506,000	52,000	+	1,000
1951/52	658,000	323,000	80,000	255,000	508,000	52,000	+	98,000
1952/53	864,000	492,000	89,000	283,000	639,000	70,000	+	155,000
1953/54	1,006,000	559,000	100,000	347,000	730,000	124,000	+	152,000
1954/55	955,000	499,000	105,000	351,000	800,000	117,000	+	38,000
1955/56	975,000	499,000	123,000	353,000	936,000	45,000	-	6,000
1956/57	1,207,000	627,000	135,000	445,000	1,007,000	45,000	+	155,000
1957/58	1,260,000	683,000	144,000	433,000	1,155,000	56,000	+	49,000
1958/59	1,325,000	664,000	176,000	485,000	1,334,000	80,000	-	89,000
1959/60	1,453,000	644,000	212,000	597,000	1,590,000	40,000	-	177,000
1960/61	1,562,000	720,000	231,000	611,000	1,776,000	44,000	-	258,000
1961/62	1,901,000	981,000	234,000	686,000	2,238,000	41,000	-	378,000
1962/63	1,960,000	878,000	278,000	804,000	2,470,000	35,000	-	545,000
1963/64	2,053,000	1,018,000	304,000	731,000	2,618,000	317,000	-	882,000
1964/65	2,201,000	1,044,000	370,000	787,000	2,964,000	806,000	-	1,569,000

CHAPTER THREE.

The Aims and Objectives of Future Development Expenditure

There are two fundamental features of the Swaziland economy. The first is the very wide gap in living standards between Swazi and European. The second is the persistent deficit in the revenue budget. Both present serious obstacles to the economic and political progress of Swaziland. Moreover, the first is closely identifiable with the slow pace of localisation, which at present prevents the Swazi from fulfilling their proper role in the life and work of the country. It must be the purpose of all development expenditure to hasten the day when all these obstacles will have disappeared.

The Gap in Living Standards.

The population of the Territory is probably about 310,000 comprising 298,000 Africans and 12,000 Europeans and Eurafricans, if projections from 1956, 1960 and 1962 census figures can be relied upon. The overwhelming proportion of the Swazi population is rural. Only about 8% live in urban or peri-urban areas, and even if the population of the large industrial centres (Havelock Mine, Usutu Pulp Company, the sugar mills, etc.) is added the figure is only 17%. Moreover, since a large proportion of this population has homes and/or land in the rural areas, the percentage of truly 'urbanised' Africans is very small. It is safe to say, therefore, that the rural population comprises not less than 90%, and probably 95%, of the total.

Most of the rural Swazi live under traditional conditions in the Swazi areas: the remainder, about 11%, live on European or African land held under individual tenure. These Swazi practise what may be described as a semi-subsistence economy, i.e. they supplement their subsistence agriculture with cash incomes derived from periods of employment in agriculture, commerce and industry, both inside and outside the Territory, and from the sale of cattle, and to a much lesser extent other agricultural products. It has been estimated that less than half of rural homestead groups are in receipt of cash incomes of £25 or more a year. Since homestead groups comprise on average 5-8 persons, a large proportion of the population is therefore in receipt of very low per capita incomes.

In the urban areas and industrial centres the Swazi are largely employed in unskilled and semi-skilled work. Incomes are naturally higher than in the rural areas, but so is the cost of living, and it is problematical whether the majority of urban dwellers enjoy a higher standard of living than those in the rural areas. The general standard of urban housing certainly suggests that this is not the case.

The European population, on the other hand, whether

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urban or rural, is largely employed in professional, managerial or technical positions, and enjoys a relatively high standard of living with minimum incomes of about £500 per year.

The Budgetary Position.

From the earliest days of British Administration, Swaziland has experienced a persistent deficit in its revenue budget. In the 59 years between 1907/08 and 1964/65 there were only 19 budget surpluses, 7 of which were achieved by the prodigal course of selling Crown Land. The last year in which a surplus was recorded was 1957/58.

It is apparent therefore that Swaziland's failure to balance its budget is virtually a permanent feature of the economy. It is not difficult to understand why this should be so. A recurring inability to accumulate a surplus balance and to meet loan service charges meant that until the C.D. & W. Act of 1940 there were literally no funds available for creating the conditions in which economic development could be fostered. The damage to the economic prospects of the Territory went further than this, however, because the long series of budget deficits severely depressed recurrent expenditure and made it impossible to maintain adequate standards of administration and public services. This created a massive build-up of under-expenditure which has seriously reduced the 'development' value of the C.D. & W. and loan expenditure incurred since 1940. For example, since 1955 housing for established staff, properly a charge on the revenue budget, has consumed just over £1 million of scarce loan funds which could have been spent on projects of wider benefit to the economy as a whole.

In spite of this handicap, however, the public sector has been transformed during the past 10 years or so. Since 1955 just over £10 million of C.D. & W. and loan monies has been devoted to development expenditure. The bulk of this (over 60%) has gone on infrastructure investment, i.e. roads, water supplies, sewerage, housing, telecommunications, etc., with the remaining 40% fairly evenly divided between economic subjects (agriculture, geological survey) and social services (education and medical). Expenditure has therefore been directed towards encouraging immediate economic development through the inflow of capital and skills. This is in fact the policy advocated by the Secretary of State in 1963 when funds for the 1963/66 period were allocated. He said "I hope that in preparing or modifying their plans, Governments will give due emphasis to projects for economic development which may be expected to generate the increased revenue needed to sustain the recurrent expenditure arising from the expansion of social services." The success of this policy is apparent from the massive investment in the private sector. Statistics of capital formation and the attraction of technical 'know-how' are not yet available, but the establishment of a large pulp mill, two other forest projects, three large irrigation schemes, two sugar mills and related growing areas, extensive citrus estates, a pineapple cannery and, in the commercial field, a host of

new/.....

new enterprises bear witness to the size of the investment. The inflow of skilled human resources is reflected in the increase of the European population from 5,900 in 1956 to 9,000 in 1965.

This investment has, however, not yet borne sufficient fruit in the way of increased public revenue to correct the traditional imbalance in the Territory's budget. But it was stressed in the report of the Economic Survey Mission (1960) that unless a great deal of the expenditure which it was proposed to finance from loan sources - even though it was demonstrably not self-financing - could be met by an increased C.D. & W. allocation, the resulting burden of loan charges would seriously delay the attainment of a healthy budgetary position. The additional C.D. & W. funds were not forthcoming, and public debt expenditure rose from £81,826 in 1959/60 to £282,000 in 1964/65 largely as a result of this policy. This constituted a substantial proportion of the recurrent deficit in that year, which amounted to £763,000.

The Development Dilemma.

The twin problems facing Swaziland in the economic sphere are, therefore, how to raise the very low standard of living of a large proportion of the population (and thus draw them into the economic life of the country) and how to achieve early solvency in the revenue budget. It will be immediately apparent that there is an inherent difficulty in reconciling these objectives. A largely subsistence economy cannot be expected to raise itself by its own bootstraps, and must be provided with the capital and skills to enable it to become an effective part of the cash economy. This will entail relatively expensive capital investment, with repercussions on recurrent expenditure but with little prospect of an early increase in taxable capacity. The increased earnings generated by this application of capital and skills must, for some time, be devoted to consumption expenditure or to supplementing capital requirements, e.g. through co-operative savings movements, leaving little margin for taxation. The creation of taxable capacity will be an indirect and lengthy process through the stimulation of increased commercial and industrial activity. This situation will apply equally in urban and industrial contexts, where the major investment will be in training programmes rather than in direct capital expenditure.

The elimination of the budget deficit, on the other hand, calls for the attraction of private capital and skills to promote economic activities which will produce an early and direct increase in taxable capacity. To achieve this it will be necessary to continue with infrastructure expenditure, though not on the scale of the past few years, and to maintain higher standards of economic and social services than would be acceptable if emergence from a subsistence level were the only problem. In other words the creation of conditions favourable to an early increase in taxable capacity must

lead/.....

lead to the perpetuation of a dual economy for some time to come.

The difficulty in reconciling these two objectives arises, of course, from the inevitable shortage of funds available for development purposes. There is a distinct danger that too little will be spread too thinly, and that neither objective will be attained. It is therefore necessary to decide on a time-scale for achieving these objectives which, in setting a target for solvency, gives time for a measurable improvement in living standards.

The Target for Solvency.

The assessment of budgetary trends, especially of revenue, is an exercise full of imponderables, as previous forecasts have demonstrated. Expenditure increases should now, however, be less inevitable for normal administrative services.

Reference has been made in Chapter Two to the large capital works programmes in 1963/64 and 1964/65 which inflated the deficit. Recurrent expenditure, however, itself rose from £364,000 in 1946/47 to £2,964,000 in 1964/65, and revenue from £377,000 to £2,201,000; the annual rates of increase were 13.5% and 8% respectively. In view, however, of the large fluctuations which occurred in both revenue and expenditure over the period (see Table 4) these overall percentages are not particularly helpful as a means of estimating future budgetary trends. A summary of the position during the last 10 years is:

Year	Revenue	% Increase	Expenditure (recurrent)	% Increase
1955/56	975,000	2	936,000	17
1956/57	1,207,000	23	1,007,000	7
1957/58	1,260,000	4	1,155,000	14
1958/59	1,325,000	5	1,334,000	15
1959/60	1,453,000	9	1,590,000	19
1960/61	1,562,000	7	1,776,000	11
1961/62	1,901,000	21	2,238,000	25
1962/63	1,960,000	3	2,470,000	10
1963/64	2,053,000	5	2,618,000	6
1964/65	2,201,000	7	2,964,000	13
1965/66 (estimate)	2,358,000	7	3,300,000	11

The figure for revenue for 1965/66 will in fact be about £2,930,000 but £2,358,000 is used for comparative purposes as the main increase on 1964/65 arises because of an alteration in Swaziland's percentage share of the pool of customs and excise revenue for the Customs Area.

It will be immediately apparent that the revenue/expenditure pattern has suffered periodic distortions, and that little can be learned, in trying to quantify the future, from any years but the most recent ones. The position is

made/.....

made more difficult by the absence of national accounts, a lack of which is being rectified.

An attempt has however been made to assess the progress towards a balanced budget on the following bases. An assessment of income tax revenues has been made having regard to the probable tax positions of the major mining and agricultural industries, and the variety of smaller industries and service activities which have shown a very encouraging growth in the past year or two. There is evidence that the economy has become more resilient than it was a few years ago, and the investment by private enterprise, the Government and the various statutory Boards has increased productivity considerably. The greater productivity has not been immediately reflected in full in public revenues, but the increase in internal trade and activities generally is having its effect on incomes and will ultimately increase taxes considerably.

The customs and excise revenue because of the Customs Agreement is affected by economic circumstances in the whole customs area and not only by local circumstances. This revenue item plays a much more important part in the revenues now that Swaziland's share of the receipts of the Customs Area has been established at some 3½ times greater than the previous percentage. There are of course wide fluctuations in the rate of increase in this sort of revenue. In the seven years beginning 1st April 1957, though there was an increase each year, the percentage varied between 1.3% and 22%. The annual average was, however, almost 15%. The position has been rather more uncertain in the past two years, and in the revenue projection 10% per annum has been used, which seems reasonable and perhaps a little conservative. Posts and Telegraphs fees is the other major individual revenue source. A cumulative increase can be expected on the postal side, of between 12½% and 15%, though this pattern is likely to be distorted in individual years by the incidence of new stamp issues. The telephone revenue increase has been estimated in the light of the projected development programme. For the rest of revenue, despite the fairly static nature of some items, a continuation of the 7% increase of recent years is a reasonable assumption.

As regards expenditure, it is obvious that a positive policy of restraint must be exercised if there is to be a real hope of closing the revenue/recurrent expenditure gap. There was another large increase between 1965/66 and the 1966/67 estimate for purely recurrent expenditure of about 13%: nearly half of this was, however, attributable to the general revisions of civil servants' and teachers' salaries, and a large replacement of plant was also necessary. Otherwise there was a significant pegging of expenditure and in particular of the size of the civil service.

There is however a further important factor to be taken into account. At present about £600,000 of recurrent expenditure is carried by "development" funds and a good deal of this is for commitments which must continue, for example certain teaching and medical staff. It is clearly desirable to bring the essential parts of this expenditure on to the ordinary recurrent budget as soon as possible, and a start has

been/.....

been made in the 1966/67 estimates which include £51,000 for this purpose. In the expenditure projection, £600,000 is assumed to have been absorbed from the development to the recurrent budget by 1971/72: there will of course have been a further building up of this sort of expenditure in the interim, but this should be manageable by that time if a policy of restraint is adopted towards recurrent development expenditure.

In the expenditure projection, estimates have been made for major departments and services where the "build up" does not conform to a regular pattern, that is public debt, pensions, post office and public works recurrent services. For the rest a cumulative increase of 5% annually has been taken for the other services, including the progressive transfer to the budget of the continuing "development" commitments. This should be a fair target, and there is no reason to assume that an annual increase on the provision for all Government services is inevitable, even having regard to the inflation which is probably inescapable in Swaziland as elsewhere. As regards public debt, it will be essential to see that borrowings are not made except for projects which generate extra revenue to meet their debt service, or save an equivalent amount of expenditure, or have demonstrable indirect financial benefits sufficient to justify them.

As regards non-recurrent expenditure, a capital works programme of some size for housing and administrative buildings will be necessary for the next year or two, but it should be possible to reduce this substantially as far as the normal annual budget is concerned by 1970.

The result of these predictions is shown in Table 5. It is that a balanced budget is possible by 1971, but that it is not likely to be achieved without the help of a comparatively small amount of additional taxation. A graded tax of the kind proposed in the 1965/66 budget but not so far implemented, should provide in its early years about £100,000 of additional revenue, and this would make all the difference between solvency and the need to seek budgetary assistance from some other country.

The Target for raising Living Standards.

The budgetary problem is of course bound up with the problem of raising living standards, and the question of whether one problem should receive priority over the other is partly a political one; but four or five years should be a reasonable period within which to achieve a balanced budget. This period should also give Swaziland time to raise African living standards to the point where it could emerge from grant-in-aid with an economy capable of steady improvement in productivity and in time the elimination of the dual economy. It would also give time for considerable localisation of the public sector and for the Swazi to take a more representative place in the economic life of the country as a whole. A major effort to improve living standards will be necessary during those five years if political independence is to be established on a proper economic basis.

The difficulty in planning a development programme to achieve this does not lie in recognising the many problems which must be tackled. The obstacles of customary land tenure, fragmentation of holdings, overstocking, soil erosion, lack of

credit/.....

credit facilities, inferior seed, etc. superimposed on low educational and health standards in the rural areas are well known, as are the deficiencies of African labour in commercial and industrial employment. The difficulty arises in assessing how to utilize the inevitably scarce development resources of both capital and skills in such a way as to achieve a co-ordinated programme of development. For this it is necessary to have some means of quantifying the present economic situation and of determining the minimum 'input' of capital and skills required over a given period to attain a measurable advance in productivity and living standards.

Swaziland is unfortunately not well served with statistical information. This is very largely a consequence of its economic integration with the Republic of South Africa, which has discouraged the compilation of separate statistics for the Territory. Information on national income, balance of payments, capital formation, etc. is not available. The same applies to manpower availability and the requirements of the various sectors of the economy. This is not to say that Swaziland is totally devoid of statistical and other basic information. The Sample Survey of 1959/60 + has produced a great deal of material on the demography and rural economy of the Swazi population. This has been complemented by a comprehensive sociological study of Swazi land tenure, carried out in conjunction with the Sample Survey. It is therefore possible to set up some benchmarks against which to gauge the efficacy of development expenditure. There is nevertheless a great need for more basic information on the economy and its requirements.

This deficiency has dictated the approach to the development expenditure proposals which follow in the next chapter. The current development period has only a little over 24 months to run. The allocation of C.D. & W. funds is sufficient to do little more than finance the continuation of projects already in existence. There is accordingly no prospect of stepping up the tempo of development expenditure. At the same time there is no reason to suppose that the present application of C.D.& W. funds is contrary to the best interests of the Territory. All that can be done, therefore, is to prepare the ground for a full-scale assault on the Swazi sector of the economy, through the medium of a comprehensive economic plan. The problem of financing such a plan will remain, but it is to be hoped that the existence of a well conceived plan will encourage the inflow of both private and international development capital in sufficient volume to realise its objectives.

A statistical and economic planning unit has been established. A full scale population census will take place in 1966. Expert surveys in the fields of educational planning, manpower requirements, industrial training and localisation have recently been undertaken and the findings are either awaited or are already under examination. A staff training institute for the civil service has just been opened. In the agricultural sphere a large college and short course centre is nearing completion, a co-operative department is being built up, a credit and savings

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+ "Experiment in Swaziland" edited by J.F. Holleman

bank has been established, research facilities are being expanded and various settlement schemes have been planned on a co-operative basis. An application has been submitted to the United Nations Special Fund for a comprehensive survey of the water resources of the Territory and the same organisation has approved a two-year aerial geophysical survey of the whole country. A broadcasting service is about to be inaugurated in order to provide a much needed medium of communication between Government and the people in the absence of a vernacular press. In short, the conditions are being created in which the considerable untapped resources of the country can be made to realise their full potential.

The Problem of Localisation.

It was stated at the beginning of this chapter that the problem of localisation is a special manifestation of the wide divergence of living standards which exists between the Swazi and European sections of the population. Localisation is defined as the process by which local inhabitants replace expatriates in the various fields of endeavour, whether it be Government, trade, commerce, industry or agriculture. (The definitions of 'local' and 'expatriate' present certain difficulties in the context of Swaziland, but it is not necessary to dwell on these in this brief introduction to the problem). In Swaziland localisation is a process which has barely begun. For a country which hopes to attain independence within a short space of time, say in two years, this is a very serious situation.

Some indication of the extent of the problem may be obtained from the following table, which was prepared by certain selected firms in November 1964 for an I.L.O. man-power assessment survey.

Occupation	Locals	Non-Locals
A. Professional, Technical and Related	223	126
B. Administrative, Executive and Management	85	71
C. Clerical Workers	501	320
D. Sales Workers	150	42
E. Farmers	126	115
F. Miners, Quarrymen etc.	47	37
G. Transport & Communication Workers	596	143
H. Engineering & construction Workers	570	436
I. Process Workers & Labourers	12,260	3,544
J. Service & Recreation Workers	593	84
	15,151	4,918

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The grouping of occupations has, however, tended to obscure the real extent of the dependence on outside sources for skilled manpower. For example, if deductions are made under A. for 151 local nurses and 35 draughtsmen and related technical staff and for their non-local equivalents the figures become 37 local and 75 non-local. Under C. if only the more highly skilled posts are taken the figures are 106 locals and 147 non-locals. Under H. if the more important classes of machinists, mechanics, welders, electricians etc. are isolated the comparison is 297 locals and 297 non-locals. If under I. such occupations as chemical and related process workers, engine, excavating and lifting equipment are examined the figures are 197 locals and 297 non-locals.

It is evident therefore that the Swaziland economy relies heavily on non-local skilled labour. This reliance is even greater than the figures indicate because in compiling the statistics all permanent residents were included as locals, whether they were Swazi or European. The table also draws attention to the relatively large number of non-locals under I, i.e. the semi-skilled and unskilled categories. This is however balanced by the fact that about 9,000 Swazi are employed outside the Territory, mostly in the gold mining industry of the Republic.

It is, however, in the Government sector where the problems of localisation are most apparent at the present time. Of 653 key posts only 63 are held by locals. To overcome this imbalance the following numbers of local candidates are required :-

Degree (or equivalent)	Matriculation (G.C.E.(O) & (A))	Junior Certificate	Standard VI
75	199	263	114

To meet the needs of both public and the private sectors it is estimated that the requirement is :-

220	459	801	488

Against this the 1964 output, excluding Europeans, was :-

4	15	249	1,024

The problem of localisation is therefore very largely one of improving the quality and quantity of educational output. Quality is closely related to the calibre of teaching staff, while quantity is a matter of available teachers and places, particularly in the secondary schools. As regards secondary places the 1965 enrolment was just under 4,000 whereas available places totalled 4,600. The problem is accordingly as much one of utilising existing facilities to the full by redistribution of pupils, providion of boarding facilities etc. as of creating additional facilities. It is evident therefore that much educational planning is required, and that education and training will have to receive high priority in future programmes of development expenditure.

Economic Relationships with the Republic.

No statement of the aims of future development expenditure

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would be complete without some reference to the close economic relationship which exists between Swaziland and the Republic of South Africa. However, in the absence of adequate statistical information on this relationship and on the alternatives open to Swaziland in terms of trade, currency, investment, etc., it is unfortunately not possible to devote as much attention to this important aspect of Swaziland's economy as it deserves. The fact that it does deserve urgent attention has however not been overlooked. The services of an economic planning expert and a statistician have recently been obtained under the United Nations Technical Assistance Programme, and the present task of this team is to furnish the necessary data from which a comprehensive economic plan for Swaziland can be prepared. This plan will provide a perspective against which specific expenditure proposals can be evaluated and a framework into which they can be fitted. It will also, however, endeavour to reconcile the economic realities of the present relationship with the legitimate political aspirations of a people rapidly approaching independence. This will involve, in the industrial sector, the training of local people for skilled employment and the creation of better opportunities for such employment, and in the agricultural sector, a concerted attack on the many problems inhibiting the development of the rural economy. In this way the break-up of the traditionally symbiotic economy which has been taking place in recent years will be accelerated, and the conditions created in which Swaziland will be able to develop its economic relationship with the Republic on a healthy local economic foundation.

TABLE 5

BUDGET PROJECTION 1963/64 - 1972/73 (EXCLUDING OSAS)

Year	Revenue: Comprising:	Income Tax	New Direct Taxes	Customs & Excise	Posts & Telegraphs	Other Sources	Recurrent Expenditure	Capital (P.W.E.) Expenditure	Surplus + Deficit -
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
1963/64 (Actual)	2,052	1,018		304	167	563	2,618	317 -	883
1964/65 (Actual)	2,201	1,044		369	198	590	2,964	806 -	1,569
1965/66 (Revised Estimate)	2,930	1,155		924	219	632	3,300	772 -	1,142
1966/67 (Estimate)	3,183	1,300		956	240	687	3,768	615 -	1,200
1967/68	3,598	1,450	90	1,058	265	735	4,065	400 -	867
1968/69	4,073	1,750	95	1,160	283	785	4,330	300 -	557
1969/70	4,564	2,040	100	1,282	302	840	4,590	125 -	151
1970/71	5,039	2,300	105	1,410	324	900	4,895	50 +	94
1971/72	5,425	2,450	110	1,560	340	965	5,270	50 +	105

CHAPTER FOUR

Development Expenditure Proposals 1966 - 68

Allocation of Funds

Swaziland has received an allocation of £3.9 million in free grant money under the 1965 Overseas Development and Service Act. The allocation is for the three year period 1st April 1965 to 31st March 1968. There is accordingly an overlap of a year with the current development period which ends on 31st March 1966. Moreover, the £3.9 million includes an amount of £1.4 million which was allocated under previous C.D. & W. Acts but which, although committed on various projects, had not been drawn upon by 31st March 1965. The amount of new money is therefore £2.5 million. The allocation was notified in September 1965 but could not be given publicity until December 1965. There has therefore been no time in which to prepare an expenditure programme for 1965/66 to supplement the existing programme for the 1963-66 period.

No allocation of loan funds has been made. As far as loans from the U.K. are concerned, the Secretary of State has advised that "loans will be approved as and when the need is demonstrated." This does not present serious planning difficulties in the case of loans for such projects as water supply, electricity, telecommunication, sewerage schemes etc. which may be expected to provide sufficient revenue to repay loans made at commercial or semi-commercial rates. It is, however, not known whether some loans will, as for example in the case of I.D.A. credits, be available on 'softer' terms. If this is the case it will of course have an important bearing on the expenditure proposals for 1966/68, since the Territory's capacity to absorb market price loans is distinctly limited. Some projects which are only partly 'loan-worthy' and which have at present to be regarded as C.D. & W. commitments could, however, be financed in part by C.D. & W. grant money and in part by loan. This would have the effect of increasing the amount of development funds available to the Territory.

The expenditure proposals which follow have however been made on the assumption that loans will only be available on 'hard' terms.

C.D. & W. Proposals.

It has already been explained that although the allocation is £3.9 million, approximately £1.4 million of this is from a previous allocation not yet drawn upon, but which has already been committed on approved C.D. & W.

schemes/.....

schemes. In order, however, to relate the expenditure programme to the full amount of £3.9 million the proposals which follow include the approved expenditure for 1965/66.

The 1965/68 programme is summarised in Tables 6 and 7. It will be seen that the expenditure proposed totals £5.1 million. Of this £149,000 is expected to come from Central and Research allocations, and £175,000 will be 'tapered' on to the budget, leaving £4.77 million to be found from the Territorial allocation. This is substantially more than the amount of £3.9 million which is at present available, but it is considered reasonable to overbudget by this amount, which represents 22% of the allocation, because past experience has shown that delays in the execution of expenditure programmes inevitably occur because of difficulties in recruiting staff, in negotiating contracts for capital works, in obtaining delivery of equipment etc. It is also desirable to overbudget in order to show how other sources of aid can be utilized if these become available.

The allocation of funds by categories of expenditure is as follows:-

	£	%
Infrastructure	899,000	18
Economic	1,663,000	32
Social Services	2,277,000	44
Administrative	261,000	6
	5,100,000	100

With 76% devoted to economic and social services the continued emphasis on the Swazi sector is apparent. Agriculture and credit on the one hand and education and training on the other, for example, together account for 60% of all expenditure. It must be emphasised, however, that existing schemes contain a residual recurrent commitment of over £600,000 per annum at 31st March 1966. If this is deducted from the £1.25 million of new money available for each of the following two years it will be seen that the scope for increased expenditure is considerably reduced. The following proposals therefore represent only a very light application of funds over the many fields which must be enriched if the harvest called for in Chapter Three is to be reaped.

Infrastructure

(a) Road Development

Matsapa Access Road - Capital £8,000

This is the amount required to complete the construction of a black-top access road for the Matsapa complex, which includes the military barracks, the police training college, the central prison, the Matsapa airport and the Matsapa industrial area. The expenditure has already been approved as Scheme D5858.

Planning and Road Design - Capital £40,000.

Although there is a road planning section of the Public Works Department it is badly understaffed because

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of recruitment difficulties. This unit is, however, in any case, not equipped to carry out complete road designs, but is engaged on establishing lines of travel, and on the preparation of survey plans from which projects can be developed. The final design of the roads proceeds in parallel with the extensive soil surveys and laboratory analyses required, and for this specialized engineers and equipment are required.

It is therefore proposed to brief consulting engineers to design the road improvements proposed for the two sugar areas, and for such other roads as can be financed in the forseeable future. A C.D. & W. application has already been submitted for a grant of £40,000.

Roads in Northern Sugar Area - Capital £265,000
Roads in Southern Sugar Area - Capital £250,000

A road development plan was prepared in 1964 but lack of funds prevented any action being taken on the proposals, which had been favourably commented on by the Secretary of State's Technical advisers. The plan drew attention to the rapid build up of road traffic in certain areas and the orientation of this traffic along new routes to the railheads for these areas. The two areas most affected were the sugar producing areas of Mhlume and Big Bend. Road improvements in these areas are urgently needed to maintain adequate standards for this heavy traffic. The road system in the northern area serves major sugar, rice, citrus and beef interests, the railhead being Mlawula. The present main road is situated along the Swaziland/Transvaal border where it is an embarrassment to the veterinary authorities, owing to it being in the "cordon sanitaire", and of least possible use to the economic interests of the district generally. Certain private roads consequently carry very heavy traffic and strong representations have been made about their conversion to public roads.

It is proposed that the 5 miles extending from the recently built Nokwane Bridge in the direction of the Mill, already built to gravel standard, be blacktopped and that the remaining 7½ miles to the Mill itself be constructed to blacktop standard.

The large sugar producing area centred on Big Bend will shortly use Phuzumoya station as railhead instead of Gollel, Goba (Mozambique) or Komatipoort (South Africa) as hitherto. Fuels, oils and fertilisers for Big Bend will travel inwards via Phuzumoya and sugar exports will travel outwards by the same route. Traffic is already heavy and must increase for this reason and additional traffic exists arising from cane trucks travelling to and from the mill and stores, etc. to farms.

It is proposed that 11 miles be reconstructed to gravel standard between Phuzumoya Station and the Mill and two major bridges be built on this line. A section from an estate known as Crook's Plantations to the Mill will, it is proposed, be blacktopped. The latter amounts to 6 miles.

Mkondo Valley Road - Capital £50,000.

A potentially rich agricultural area between and adjacent to the Mkondo and Ngwempisi Rivers has remained undeveloped because of the almost total lack of road communications. Two large farms did produce good crops until marketing proved uneconomic due to difficult transport conditions. Some 4,500 acres have recently been subdivided into fifteen farms between the Mkondo and Ngwempisi Rivers. There is also a large strip of fertile Swazi area bordering the Mkondo. The Director of Agriculture estimates that the Mkondo valley could produce 50,000 bales of cotton. All this area could be rapidly developed if access were provided from the North (i.e. from the railway station at Sidvokodvo) across the Usutu and Mkondo Rivers. Furthermore, it is essential that such access be provided in the interests of livestock disease control.

It is proposed to improve a track built during the Foot and Mouth disease campaign by some earthworks plus gravelling and drainage and to build low level bridges over the Great Usutu and Mkondo Rivers.

A C.D. & W. grant of £50,000 has recently been approved for the project in advance of the submission of this programme.

Roads to Royal Residences - Capital £25,000.

The roads serving the royal establishments of Lobamba, Lozitha and Masundwini are poor tracks about which the Swazi authorities have repeatedly made representations in the past. Although it has been possible to patch-gravel and construct a few pipe culverts on these roads the funds available for road maintenance have been insufficient to enable large scale improvements to be effected. It is, however, now necessary, because of the substantial increase in traffic over the roads, to bring them to all-weather gravel standard. This will cost about £25,000.

Compensation Payments for Road Improvements - Capital £10,000.

This provision was included in the 1963/66 expenditure programme but was not used because of delays in examining the many claims involved. These claims arose from road construction work undertake since July 1957, which is the date from which damage to property by road construction came within the scope of the Roads and Outspans legislation, by virtue of Proclamation No. 21 of 1964. All claims submitted have now been assessed, and can be met within the original provision of £10,000.

Completion I.D.A. Project - Capital £50,000.

The trans-territorial highway and related roads for the Usutu Forests project were financed by an I.D.A. credit of £1 million supplemented by a C.D. & W. grant of £465,000 and Exchequer loan totalling £660,000. Total expenditure has exceeded the funds available. There was a loss on exchange on the I.D.A. dollar credit amounting to £3,600; a portion of the planning costs (£2,000) which was authorised

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as a charge to Advances has not yet been brought to account; the final payment to the contractor amounting to £9,000 has had to be charged to Advances because the voted funds were exhausted. In addition the contractor has claimed sums totalling £150,000 for variations of contract etc. and this is at present the subject of an arbitration case. It is considered that £50,000 is the minimum figure which can be included for these various amounts. If the contractor's claims are accepted in full by the arbitrator it will be necessary to revise the road development programme to accommodate the additional expenditure.

(b) Airfields

Improvement of Matsapa airport - Capital £80,000.

Capital expenditure on Matsapa Airport, the Territory's main airport, totals £70,000 to date, of which £50,000 was provided by Exchequer Loan and £20,000 under P.W.E. With this provision a single runway of 4,800 ft. length was built together with a small terminal building containing a control tower, waiting room, office, radio room and rescue vehicle garage.

The runway has a compacted gravel surface which was bitumen sprayed to seal it against ingress of moisture and to obviate dust temporarily. This temporary seal is now breaking up to a serious extent. To prevent disintegration of the runway as a result of the ingress of water, a new surface carrying a premix bitumenised carpet is essential.

Other immediate requirements at this airport are fire and rescue vehicles and apparatus, VDF radio equipment and a telecommunications link with the AFTN centre at Johannesburg, none of which at present exists in any form whatever.

An application for a C.D. & W. grant of £80,000 has already been submitted in view of the urgent nature of the required improvements.

(c) Township Development.

Development of Urban Areas - Capital £78,000.

This is a continuation of Scheme D6075 which was approved in 1964. The development of shanty villages on the peripheries of the main towns continues to present a serious social problem and the establishment of the Matsapa Industrial area is aggravating the problem in the Kwaluseni area. There is therefore a most urgent need for the layout of serviced sites for medium and high density housing in order to provide the urban Swazi with facilities for erecting their own housing in properly planned areas.

Owing to the inability to recruit a Township Engineer and the absence of technical advice on town planning progress has been slow. A town planner, recruited under the auspices of S.C.A.A.P. is, however, due to arrive in the Territory

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shortly.

The funds provided do not in any way indicate the extent of the problem, but represent the maximum which can be made available at this stage.

Crown Land Development - Capital £27,000,
Recurrent £16,000,
Residual Recurrent £6,000.

A C.D. & W. scheme was approved in 1965 to control the occupation of Crown Lands, particularly in urban and peri-urban areas, and to rehabilitate squatters in planned and serviced areas. Because of difficulties in recruiting suitable Crown Land Supervisors, development has so far been confined to Mbabane, but it is essential that work be extended to the Manzini area and to Gollel as soon as possible.

Summary:

	1965/66	1966/67	1967/68	Total	Residual
(a) Roads	8,000	375,000	315,000	698,000	-
(b) Airfields	-	80,000	-	80,000	-
(c) Townships	42,000	38,000	41,000	121,000	6,000
	50,000	493,000	356,000	899,000	6,000

Economic

(a) Agriculture.

Statement of Agricultural Policy.

Development aid to Swaziland in recent years has been directed mainly towards the provision of the infrastructure necessary for further economic growth. Improved communications, a central hydro power scheme and a new industrial area have, with other factors, already led to significant agricultural and forestry developments. Thus a new meat export works and a cotton ginnery were established in 1965, pulp exports are now up to capacity, and the sugar and fruit industries continue to grow. This aid has, however, also provided other essential foundations for agriculture. Expenditure on research has paid handsome dividends on new technical "know how" (manifested in a record cotton crop in the drought year of 1965, and a probable record maize crop in 1966), the statutory Swaziland Credit and Savings Bank has commenced operations and a new Agricultural College and Short Course centre will be opened shortly. These factors and institutions will markedly improve the overall economic position of Swaziland but they have not yet made a significant impact on the mass of the rural people.

Having regard to the improved environment for agricultural improvement, to the need to raise living standards as rapidly as possible, and to make optimum use of limited resources, a new policy for agricultural and rural development was recently formulated. The most important features are :-

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1. In the new development period the second priority, after education and training, will be the raising of the living standards of the Swazi people. The prime objective of agricultural policy is the conversion of Swazi agriculture from a subsistence to a cash economy basis.

2. The most important single feature of long term economic development will probably be the conservation and proper utilization of water resources, for the planning of which expert assistance will be sought.

3. Problems associated with land usage in the Swazi Areas are of greater immediate economic consequence than those of land tenure per se and high priority will be given to plans to achieve more efficient land utilization.

4. Rural development programmes will be concentrated mainly on selected areas of high potential in which there is a responsive demand for progress (the Rural Development Areas), on people with a common interest (co-operatives, farmers associations, community development projects, etc.) and on single target compaigns (e.g. maize campaign).

5. A pre-requisite to rational land usage and the maximising of production is the planning of the Swazi Areas, in which land planning and subsequent self help development will be carried out through concentrated and co-ordinated inter-departmental programmes in the Rural Development Areas referred to above. While development work is being prosecuted in these areas, the planning of other Rural Development areas will be carried out in consultation with the people. In this the Central Rural Development Board will be of the greatest importance.

6. Having regard to the land problem, to the need to demonstrate the benefits of modernised tenure, to the small extent of Swazi participation in the production of the more lucrative crops, and to available resources, government will establish a limited number of Swazi Settlement Schemes on land of high potential. These will be based on careful economic planning and will be largely loan financed. On them selected Swazi farmers will produce high value crops and stock by proven methods within the framework of co-operative systems.

7. Government recognises the valuable role research has played in paving the way for agricultural development and, with the assistance of the United Kingdom, will continue to provide essential research services. Government, however, expects the larger agricultural industries to assume more responsibility for the financing of research for those industries, to which end it is prepared to provide initial "pump priming" assistance within the limits of existing financial resources.

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8. High priority will be given to the early and effective operation of the Swaziland Agricultural College, the standards of which will be raised as rapidly as possible in co-operation with the University of Basutoland, Bechuanaland and Swaziland.

9. The resources of the Swaziland Credit and Savings Bank will be enlarged to provide more credit for agriculture and low cost housing.

10. Government is aware of the importance and economic potential of the livestock industry, the development of which will receive more attention.

11. The development of the co-operative movement will be speeded up as fast as circumstances and resources allow.

12. Government wishes the sugar industry to largely run its own affairs on a suitable new statutory basis. While government is prepared to play its part in promoting Swazi sugar growing it considers that the industry should take the initiative and play the major role in the development of a suitable scheme. Similarly, government will support any requests made by the citrus, cotton and pineapple industries for the statutory recognition of certain of their functions. More assistance will be given to the tobacco industry, and government seeks to attract the necessary skills and capital for a citrus processing works in the country. Expert advice will be sought on the forestry potential of southern Swaziland.

13. In pursuance of these policies government will streamline and reinforce its soil conservation and agricultural advisory services of various types.

In the absence of basic statistics it is not possible to quantify in detail the rate of progress which it is hoped to achieve from the implementation of these policies. Recent progress has been satisfactory in some respects. Impact on cotton production has been good and the current "Grow More Maize - Make More Money" campaign has, with the assistance of a favourable season, been highly successful. The first five Swazi co-operative societies have been registered and the first economic settlement scheme (the pineapple scheme) is now under way.

The pre-export cattle fattening Holding Grounds have been placed on a rational and self-financing basis and there is a growing interest in small scale but high standard dairy farming on the part of the Swazi. The unfortunate outbreak of Foot and Mouth disease in 1965 was eventually contained and eliminated, and meat exports are expanding rapidly through the new works at Matsapa.

Research has provided new hope for southern Swaziland, where Burley tobacco and Angora goats appear to be promising developments and are being promoted on an exploratory scale. Similarly, new technical "know how" has led to a revitalization of the pineapple industry, the prospects for which appear bright. New technology and the demonstration of its application by, for example, the Commonwealth Development Corporation

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in its Vuvulane settlement scheme have generated interest amongst several riparian Swazi communities in intensive irrigation farming and a number of new irrigation projects have been started with departmental assistance.

The availability of modest Community Development monies has had a stimulating effect on the concept of self help and the demand, for example, for assistance with fencing is reaching embarrassing proportions in relation to the money available and government ability to plan where grazing areas should be established. Further indices of progress are fertilizer consumption by Swazi farmers, which increased considerably in 1965, and the fact that the demand by Swazi for hybrid maize seed exceeded the supply (1,750 bags).

These encouraging developments must now be followed up to achieve a general marked increase in rural incomes and the C.D. & W. schemes in this programme, in which the coat has unfortunately had to be cut to suit the cloth and not the weather, provide for further assistance in the implementation, in co-operation with the Swazi authorities, of government's agricultural policy. From the point of view of the Department of Agriculture the main problems continue to be those associated with staff, and those of overgrazing, pasture denudation and soil erosion, which are assuming alarming proportions. It is beyond the capacity of the department to physically keep erosion in check by means of conservation works on a national scale and, in terms of policy, the limited plant available will henceforth be concentrated mainly on protecting and developing the high potential Rural Development Areas which, with the economically planned Swazi Settlement Schemes, constitute the most important new features of the agricultural plan, and from which it is anticipated, success breeding success, benefits will flow outwards as a result of emulation.

Specific targets for the next three years include the registration of 15 Swazi co-operative societies, the completion of the physical reorganization of 15 Rural Development Areas, the development of three Swazi irrigation schemes, the establishment of 4 settlement schemes, the registration of 600 Master Farmers with a net income of at least R500 per annum, a 25% increase in maize and cotton production compared with 1965, a 50% increase in pineapple production, the production of significant quantities of Burley tobacco, a 25% increase in livestock exports as compared with average exports for 1962 to 1964. It is hoped to achieve an improvement in the production of cream for butter manufacture and Swazi dairy farming will be promoted for the supply of whole milk to urban areas. A substantial programme of training and agricultural education is now being put in hand in which new technology, largely developed from local research, will be imparted to more and more Swazi, including departmental staff, Citrus production will increase substantially, willy nilly, by virtue of previous plantings and the sugar industry will attain its quota targets. The mapping of Swaziland soils at the reconnaissance level will be completed, as will detailed surveys

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of Rural Development Areas and the Usutu basin. The Department of Agriculture will publish a National Atlas of Swaziland, which will be a most useful aid to education and planning. It is hoped also, with the assistance of the United Nations Special Fund, to complete a water development plan for the Territory.

Summarised notes on individual schemes in this programme follow.

1. Agricultural Research : Capital £50,000.
Recurrent £148,000.
Residual Recurrent £55,000.

This is a continuation of Schemes R.1235, R.1574, R.1683, D.4696 and D.5978, under which a research station, a substation and four district experiment plots are operated.

The research service, which was set up in 1959, remains the foundation of the advisory and education services of the Department of Agriculture. Applied research in Swaziland has opened up new goals of productivity and has solved many problems of which the Department was previously unaware, such as dominating and widespread soil trace element deficiencies, certain plant diseases and various agro-ecological phenomena. Introduced varieties of crops and pastures have similarly enabled the Department and farmers to raise production targets in many cases by 200%. Local research has also introduced a new element of security in high value cost crop farming in Swaziland. Thus in the absence of research the unique pest of sugar, Numicia, may well have crippled the sugar industry and the problem of low percentage of exportable quality citrus fruit was solved as a result of local investigations.

The research scheme also has an important advisory and education function. Each year about 1,000 Swazi farmers visit the research stations, to return to their farms with new ideas and fresh incentive. European farmers make considerable use of advice from research staff. In a small country research cannot be an end in itself and its ultimate value must be assessed in terms of its impact on agricultural and national income. By closely relating the work of the research and advisory services the latter have been raised to a much improved technical level and, for example, national production of maize and cotton are, as a result, expected to reach record levels in 1965/66.

It is proposed that government should be progressively relieved of the cost of certain types of research, which will increasingly be borne by the agricultural industries concerned. Cotton farmers at present meet the costs of cotton breeding work. These estimates provide for initial pump-priming assistance to enable the pineapple and citrus industries (in a tapering formula over five years) to meet the costs of research into those crops. It is hoped to continue this process in the future, with other research disciplines, to the stage where it will be possible to establish a joint industry-university-government Research Council, with government financing only those residual

disciplines/.....

disciplines not particular to any one industry. Apart from the additional short term costs for pineapple and citrus research, these estimates provide for the continuation of the service on the present scale.

2. Agricultural Education : Capital : £71,000.
Net Recurrent : £72,000.
Residual Recurrent : £29,000.

Government is extremely short of trained local staff. There is also a considerable demand by private enterprise for trained agriculturalists and more and more government staff are being attracted to leave the service for employment in large firms and estates. The policy of localisation is being seriously retarded by the shortage of manpower, and restricted executive capacity arising from shortage of staff is a limiting factor in agricultural development plans.

The early and effective operation of the new Swaziland Agricultural College and Short Course Centre has therefore been given very high priority in the agricultural policy for the Territory. The College is being built by funds provided by the U.K. Freedom from Hunger Campaign (£175,000), Oxfam (£50,000) and C.D. & W. Schemes (£72,000).

The economy of the three High Commission Territories is dependent mainly on agriculture but the University of Basutoland, Bechuanaland and Swaziland does not offer a training course in agriculture. A series of discussions on the role of the university in agricultural education has now led to agreement in principle that the university will establish an agricultural presence in Swaziland in a scheme whereby it will provide an advanced diploma course at the Swaziland Agricultural College, for students from all three Territories. The university will appoint two Lecturers to the college initially, the first of whom arrives shortly to start detailed planning for the project.

3. Agricultural Extension : Capital £84,000
Recurrent £107,000
Residual Recurrent £40,000

This provides partly for a continuation of elements of C.D. & W. Scheme D.5501B, Agricultural Education and Extension, and partly for new features. It is divided into three sections as follows :-

I. Agricultural Extension,
II. Mass Education, and
III. Home Economics.

Section I : Agricultural Extension.

In terms of the new rural development policy, it is proposed during the next three years to make a special concentration of extension and other rural development work in 15 selected Rural Development Areas, and to physically transform these areas and markedly improve production and incomes in them. This intensified development work will

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be based on land use planning, which, for each Rural Development Area, will normally provide for consolidation of the arable, enclosure of the grazing, the establishment of a village for non-farmers, the development of rural roads, etc., all on a self help basis. Following the physical reorganisation of an area agricultural extension, community development and other government services will be intensified in it. The benefits of these reforms and improved agricultural systems will, it is believed, become apparent to other communities who will to an increasing extent seek to follow the examples so created. Outside of the selected Rural Development Areas, extension work will be concentrated mainly on groups with a common interest, e.g. Farmers Associations, on the Master Farmer Scheme, and on specific single target campaigns such as the current Maize Campaign, which at this stage appears to be highly successful. Other campaigns are also envisaged in the extension programme, viz. control of harvester termites in grazing areas and a "grow more cotton" campaign, and a similar campaign for tobacco.

Section II: Group Extension.

This section provides for a continuation of the Mass Education or group extension section of Scheme D.5501B, together with a few new features, the most important of which is the post of Farm Broadcaster.

The Mass Education section of the Department of Agriculture is beginning to make substantial impact on farmers. In the current Maize Campaign, for example, heavy reliance is placed on the work of mobile film units, posters and timeously issued topical advisory leaflets. During the recent campaign to eliminate Foot and Mouth Disease considerable use was made of audi-visual aids, with notable success. The agricultural film shows organised in rural areas, having additional social attractions, are very well attended and received.

Government is about to open a radio station which will be its best medium of contact with the masses and it is deemed essential to make provision for one junior grade Farm Broadcasting Officer.

Section III : Home Economics.

This section provides for a continuation and small expansion of the provision for Home Economics extension work in the Scheme D.5501B.

Experience with extension work among rural women has shown that an exceptionally high degree of response is obtained from this section of the population. The "national awakening" following constitutional advance, which has been relatively lacking in Swaziland in comparison with other African countries, can also be derived from the demands of women for better living standards. Extension work with rural women in Swaziland is also important in relation to the problems of malnutrition.

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4. Animal Disease Control: Capital £60,000.
Net Recurrent £47,000.
Residual Recurrent £19,000.

This application consists mainly of provision for the continuation of the disease control aspects of C.D. & W. Scheme D.5715, Livestock Improvement and Disease Control.

Swaziland has a long history of good control of livestock diseases, achieved through a system of control of stock movements, compulsory regular dipping, the examination of smears from all dead stock, and other measures. Until recently the Territory had not suffered an outbreak of Foot and Mouth disease in living memory. However in February 1965 there occurred a serious outbreak of Foot and Mouth in central Swaziland, which has now been eliminated. While it has not been possible to prove how the disease entered the Territory, it almost certainly originated in Mocambique, where the disease is enzootic, and was brought into Swaziland as a result of increased intercourse between the two countries by road and rail. The outbreak resulted in heavy direct and indirect costs to the country (Government expenditure was in the region of £305,000) and a recurrence must be prevented. These estimates accordingly provide for a small increase in livestock inspectorate staff and a continuation of the programme of dip tank construction.

A sum of £10,000 from C.D. & W. funds for the erection of a veterinary clinic and laboratory in Manzini has been approved for 1965/66. A clinic is also required in Mbabane, the capital, for which a sum of £6,000 is required.

5. Livestock Improvement: Capital : £40,000.
Net Recurrent : £30,000.
Residual Recurrent : £18,000.

This scheme is a continuation and elaboration of the livestock improvement aspects of Scheme D.5715.

The livestock industry is of considerable importance to Swaziland. In the agricultural field the value of livestock turnover at R1,008,000 per annum is exceeded only by that of sugar and forest products. Stock also play an important role in the customs and social life of the Swazi, who own 80% of the animals in the country. The state of the livestock industry is, however, far from satisfactory. Partly as a result of disease control measures, stock populations have been rising steadily to the stage where most of the Swazi areas are heavily overstocked. This overstocking manifests itself in low prices for Swazi cattle, in ever increasing soil erosion and termite incursion and large stock losses in times of drought. The out-turn of animals for sale from Swazi Area is low.

During the last year there has been one notable development in the establishment of a new meat export and canning factory in the Territory. This is likely to give a fillip to the cattle industry and lead to improved out-turn of cattle from Swazi areas. It will also provide an additional market if cattle exports are prohibited as a

result/.....

result of an outbreak of disease. A new statutory Livestock Producers' Trust which will hold shares in the meat works will be established shortly. There has also been slow but satisfactory progress in the development of a second pre-export holding ground for Swazi cattle at Gollel on a self-financing basis.

Little attention has been paid to direct livestock improvement in the past, extension staff having tended to concentrate on cropping and veterinary staff on animal disease control. It is now proposed to step up work in this field and to aim at further development of the livestock industry.

In the Middleveld of Swaziland there are all the ingredients of a successful dairying industry - a growing and unsatisfied demand for milk in the urban areas, suitable soils (with irrigation water available), and climate for dairying, suitable technical "know how", good communications, etc. and it is accordingly proposed to stimulate the development of a Swazi dairy farming project for the production of fresh milk in the area. Milk will be produced both in existing Swazi area and on a dairy settlement scheme to be established for the purpose for which financial assistance is sought as a separate application for C.D. & W. funds. The present scheme is to assist farmers on a one for one self help basis in the construction of the necessary fences and irrigation furrows in Swazi area, and for an initial set of equipment and transport for the dairy project as a whole. The necessary control, regulation and rationalisation of milk marketing will be effected through a statutory Dairy Board to be established for the purpose.

For the important beef industry it is proposed that livestock improvement and development be concentrated during the next three years mainly on 14 selected Rural Development Areas in a policy of concentration of government rural development effort. Twelve of these areas will be in the mixed cropping and stock production zones and two of them in bushveld cattle ranching.

6. Soil and Water Conservation: Capital £108,000.
Net Recurrent £64,000.
Residual Recurrent £31,000.

Soil erosion and pasture denudation are increasing in Swaziland, mainly as a result of overstocking in the Swazi areas. In some areas the situation is serious, with the extent of red erosion scars on the hillsides and gullies in the flats increasing at an alarming rate. Soil conservation measures are not keeping pace with erosion.

There is no single panacea solution to these problems, the ultimate answer to which lies in dealing with and rectifying the root causes of the trouble. The Agricultural Development Plan is designed to do this for a number of selected areas within a policy of concentrating effort on limited targets.

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The results should breed further success on a wider front in the future.

In terms of the new policy and following the re-organization of the soil conversation section, soil and water conservation work will more and more be confined to the selected Rural Development Areas in Swazi Nation land, wherein self help will figure more prominently than in the past. No water supply dams will be built unless there is counterpart assistance from the people concerned. In the statutory Intensive Conservation Area, embracing both title deed land and Swazi Nation land and in which no charge is at present made for earth works, no work will be carried out by the government conservation units until there is evidence of implementation of the agreed plan by the farmers concerned.

The Soil Conservation section is organised to provide one multi-purpose soil conservation unit for each of the four administrative districts plus two dam building units for the construction of larger dams. These estimates provide for the reduction of the units to five and the replacement of seven old, unreliable and unsuitable earthmoving tractors purchased with C.D. & W. funds during the past nine years with three heavier machines. During this period most of the crawler tractors purchased were of the small 50 h.p. class, mainly for reasons of ease of mobility by 7-ton truck transport. These tractors are not efficient earth-movers and are expensive to maintain when compared with heavier tractors. By virtue of the large numbers involved their use also increases ancillary costs such as operators' salaries, staff housing, travelling and subsistence, etc. Of the 14 conservation crawler tractors, four are 8 years old, four 9 years old, one ten years of age. No less than seven of them are now unserviceable as a result of road building work in very difficult terrain during the course of the campaign against Foot and Mouth disease. The estimates also provide for further capital expenditure on certain other plant and equipment for the section.

7. Swazi Settlement Schemes — Capital £46,000.
Net Recurrent : £29,000.
Residual Recurrent : £22,000.

It is proposed to acquire some 9,500 acres for the establishment of small Swazi plot settlement schemes operating under leasehold tenure. Funds will be required for the purchase of land, provision of services, advisory staff and for farm development. Government will seek an Exchequer loan of £150,000 of which £86,000 will be for the purchase of land and £64,000 for the provision of common services - tractor pools, bush clearing, land drainage and irrigation water supplies. Swazi settlers will be charged interest at 7% on the cost or value of the land as rental, and the loan for common services will be recovered in full within 20 years. Government will provide an administrative and advisory service to the settlers by grant of C.D. & W. funds to the extent of £75,000 over the next two years. Swazi settlers will obtain all necessary capital for farm development by loans direct from the Credit and Savings Bank. The total amount required for this purpose is

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expected to be approximately £200,000.

Government will encourage the formation on each settlement of co-operative societies which will eventually take over and operate such common services as have been established in addition to their normal functions of purchasing farmers' requirements and marketing produce.

These settlement schemes are designed to provide net yearly incomes ranging from £150 to £300 to some 200 Swazi farmers within the next few years, and to provide goods for export to the value of £300,000 by 1970.

8. Central Rural Development Board : Capital £3,000.
Net Recurrent : £7,000
Residual Recurrent : £4,000

The Central Rural Development Board is the statutory central agricultural administrative, advisory and liaison body for the Swazi areas. It was established in terms of the Swazi Administration Proclamation (Cap. 60) as Order No. 4 of the Ngwenyama in Council. This order inter alia provides for the Board, with the approval of the Ngwenyama, to issue orders providing where necessary for the removal of kraals, the division of land, the rotation of grazing, the protection of catchment areas and the limitation or removal of live-stock. Contraventions of given orders is an offence, for which penalties are provided.

The Central Rural Development Board in theory is therefore all-powerful in matters of rural development in the Swazi areas, and with its assistance it should be possible to achieve rapid progress in the improvement of Swazi agriculture. In practice, however, the Board is ineffective. This is due mainly to its lack of transport and the low duty allowance paid to members, which are out of all proportion to the stature of the Members, to the costs they incur on Board work, and to the importance of the Board.

It is of vital importance to the development of Swazi agriculture that the Central Rural Development Board be made an effective and efficient organisation.

This small scheme therefore provides for the purchase of a vehicle for use by the Board and the payment to Members of suitable duty allowances on a modest scale.

9. Agricultural Economics and Development Planning :
Capital £20,000.
Net Recurrent : £21,000.
Residual Recurrent : £14,000.

Financed partly from budget funds and partly from C.D. & W. funds (D.5501B) is a small agricultural economics, planning and development section in the Department of Agriculture. This falls naturally into four parts, viz. :-

Agricultural Economics, Water Development, Cartography and Soil Survey.

This application provides for a continuation of the C.D. & W.

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financed elements of these sections on a slightly increased scale. Additional provision has been made for the development of Swazi irrigation farming.

Section I. : Agricultural Economics.

Swaziland is relatively well supplied with statistics relating to aggregate production of title deed farms, its livestock population and agricultural exports. There is, however, a dearth of quantitative data relating to total agricultural production, and traditional Swazi agriculture in particular; and the structure, performance and efficiency of the agricultural economy.

Under these circumstances planning both at the micro and macro levels presents considerable problems. Without adequate information there is always too great an element of guesswork and subjective judgment in determining and rationally and efficiently planning future avenues of action and development. Recently much work has been done preparing detailed plans for particular development projects based on local experience, and limited research findings and results from farm management investigations. This work will be continued and extended during the present development period to ensure economic viability of particular development projects and to provide a sound economic basis for extension work. At the same time it is intended that a certain amount of quantitative information relating to Swazi agriculture should be built up to provide a suitable basis for future policy formulation and detailed planning. Funds will not allow of the conduct of comprehensive sample surveys.

Section II. : Water Development.

Pending the report of a Commission of Enquiry into the Swaziland water laws and the administration of water affairs in the Territory no provision has been made for the expanded services for water affairs that will undoubtedly be required in the future. This plan does, however, include provision for a sum of £20,000 for assistance in the development of Swazi irrigation projects, as a follow on to the successful developments in this field by a grant of £5,000 from O.X.F.A.M.

Section III. : Cartography.

It is proposed to continue the work of the small but highly productive cartographic section of the Department of Agriculture at present financed under Scheme D.5501B.

The section has provided most valuable assistance in the preparation of maps and other material for extension and rural development work, for surveys and for development planning. A very detailed topo-cadastral map of the country (Scale 1:50,000) has been prepared, using Directorate of Overseas Surveys base maps. This has been an invaluable aid in the administration of the Territory.

In recent years the work of the section has necessarily changed from straightforward drafting to original research

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and production and a wealth of useful material has now been assembled in draft map form. This, with new material, is being produced as a National Atlas of Swaziland, the first plates of which are now being printed. The Atlas will be produced in three sections: Part I - Physical, Part II - Agricultural and Mineral Production, Part III - Demography. Shortage of funds will unfortunately not allow of high quality commercial platemaking and the maps will be produced with existing equipment in various departments. The Atlas will be of considerable benefit in the fields of education, economic and development planning, technical training etc.

10. Contribution to F.A.O./U.N.I.C.E.F. Agricultural and Nutrition Project : Capital £8,000.
Net Recurrent : £9,000.
Residual Recurrent : £3,000.

The project which is a continuation of Scheme D.5927, aims at improving the standard of nutrition in Swaziland by a concentration of adult education in seven Rural Development Areas. Poultry and vegetable production and a school feeding scheme will be encouraged through :-

Bursaries supplied by F.A.O., provision of poultry and gardening equipment by UNICEF, a school feeding programme to be attained by self help under expert sponsorship and guidance (equipment provided to producers has to be paid for by supplying produce for the school feeding programme), courses and seminars, within the wide scope of the project, for government staff and rural groups, facilities for the marketing, through co-operatives, of surplus perishable and semi-perishable produce.

The acceptance of this project by the Executive Board of UNICEF was dependent on a counterpart contribution to the project by the Swaziland Government for which this C.D. & W. scheme provides.

11. Veterinary Training : Capital : £8,000.
Net Recurrent : £10,000.
Residual Recurrent : £5,000.

The value of turnover of livestock in Swaziland is, in the agricultural sector, exceeded only by that of sugar. The country has an excellent history of animal disease control achieved by strict control over stock movements, compulsory regular dipping against ticks, the examination of blood smears from all dead animals, etc. This disease control has allowed of the establishment of a new meat export works in the Territory, which has commenced operations.

The veterinary regulatory staff responsible for ensuring and assisting in the compliance with animal disease regulations consists of some 150 Cattle Guards, 29 Stock Inspectorate and border cordon guard officers and six Veterinarians. At present there are 30 vacancies for Cattle Guards, and in the inspectorate cadre, in which there are only three local officers, there has been heavy

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wastage of expatriate officers, vacant posts being filled with difficulty.

In view of the recent costly outbreak of Foot and Mouth disease in Swaziland and in pursuance of the policy of localisation it has been agreed that, as a matter of urgency, improved arrangements must be made for the training of more and better staff for the Cattle Guard and inspectorate cadres of the veterinary division of the Department of Agriculture. To fill existing vacancies and to speed up localisation in the absence of an adequate training scheme would lead to an unacceptable drop in standards that might place the livestock industry in jeopardy and, as was the case in the recent outbreak of Foot and Mouth, have adverse side effects on other sectors of the economy.

It is accordingly proposed to appoint a Veterinary Training Officer and to improve the facilities for training of regulatory staff at the Mpisi Cattle Breeding Station.

12. Vuvulane Irrigation Farms: Capital : Nil.
Net Recurrent : £36,000.
Residual Recurrent : £15,000.

It is proposed to continue to provide assistance towards the cost of supervisory services for the Commonwealth Development Corporation Vuvulane Irrigation Farms, previously met by C.D. & W. Scheme D.5945.

The Commonwealth Development Corporation has set aside a large area of good irrigable land near its Swaziland Irrigation Scheme for the settlement of selected Swazi farmers on irrigated small holdings. The scheme has been highly successful and already 90 families are producing such crops as sugarcane, cotton, maize and vegetables on their intensively worked farms. The Corporation plans to at least double the number of settlers, and supervisory technical and advisory staff will continue to be required for the project for many years. Government has undertaken to meet a portion of the cost of these appointments and is presently negotiating with C.D.C. on the size of this contribution and on the question of the long term residual commitments. Provisionally an amount of £30,000 is set aside for this purpose for the three years 1965 to 1968.

13. Agricultural Inspectorate : Capital £5,000.
Net Recurrent : £5,000.
Residual Recurrent : £1,500.

This is a continuation of Scheme D.6226 approved in 1965 to cover the costs of an Agricultural Inspector post. The officer is responsible for various statutory and regulatory duties such as the inspection and certification of export fruit, the inspection of citrus nurseries and crops for pure seed production, etc.

14. Botanical Survey : Capital Nil. Recurrent £2,000.

Scheme D.4436, under which a Botanical Survey of the

Territory/.....

Territory has been conducted for some years, will be wound up on the 31st March 1966.

15. Co-operatives : Capital £6,000.
Recurrent £37,000.
Residual Recurrent £14,000.

This provides for the continuation and expansion of Scheme D.5752 under which a Co-operatives Department was established in 1963 with the assistance of Oxfam. The function of this department, is adequately dealt with in the statement of policy and in the various scheme proposals listed above.

(b) Credit.

Swaziland Credit and Savings Bank : Capital £319,000.

The Bank was established in 1965 with the advice of an F.A.O. Credit Bank expert. A C.D. & W. grant of £170,000 provided the initial capital, and a loan of £300,000 was obtained from commercial sources.

The provision of credit for agriculture is agreed to be of the highest priority in Swaziland's economic development plans. The research work which has been done on agriculture and livestock can only be productive if the Swazi farmer is put in a position to use it and the provision of credit is essential for this. A rise in living standards, which is so necessary, can only be achieved in the next few years by increased productivity from Swazi agriculture, though industrialisation will be encouraged simultaneously. The need for proper housing in urban and industrialised areas of Swaziland is self-evident and the essential improvement will best and most economically be obtained by making loans available; the alternative would be for the Government to embark on a programme of low-cost housing for rent, but experience elsewhere has usually shown that this ultimately provides less houses at a higher cost. The amount which could usefully be expended on housing loans is almost certainly greatly in excess of that envisaged in the Bank's present programme.

It is considered that a financially sound Credit and Savings Bank can play a major part in the economic, social and political development of Swaziland over the next five years with a programme of supervised credit operated on business-like lines, devoted to agriculture and housing in the first instance, but no doubt in due course to industrial development particularly that stemming from agriculture. The Government will meet as much as it can of the capital requirements of the Bank from its limited resources. The provision of credit for the larger agricultural and industrial development will, it is hoped, be met from an Industrial Development Corporation at present under active consideration. It is felt, however, that this Corporation, which would also lend for the development of manufacturing industries, would be best financed and operated by private enterprise, any Government financial participation being small, or preferably none, with the Government devoting any funds it can afford to the Credit and Savings Bank.

Resources/.....

Resources needed are, however, estimated, after as careful a survey as possible in a field in which practical experience is so far lacking, at £2,200,000 to enable the Bank to cover adequately the requirements for lending for agricultural credit and low income housing only. The general division, subject to adjustment in the light of experience, would be £1.5m for agricultural and £.7m for housing. These amounts would make possible, taking into account repayments, actual lending of between £700,000 and £800,000 annually over the first ten years of the Bank's life.

With the funds already at the disposal of the Bank it will be able to cover its recurrent costs and meet part of the estimated requirement for housing and agricultural loans for the next twelve months or so. It will clearly be necessary to seek further sources of loan funds, from banks, institutional lenders and international agencies. The initial equity of £170,000 will only be part of that required if a lending programme of £2,200,000 is to be successfully achieved over the next five years. To get the Bank on a sound footing and to achieve a reasonable surplus to build up a bad debts reserve, unrecallable capital of £450,000/£500,000 will be required as early as possible. At the present time however, it is not possible to make available more than £319,000 for this purpose.

(c) Mineral Development.

Location of Underground Water Supplies : Capital £7,000
Recurrent £14,000
Residual Recurrent £6,000

This is a continuation of Scheme D.5926. Provision has been made in the agricultural section for the conservation of surface water supplies by the construction of dams. With the increasing use of surface water in irrigation, hydro-electric and similar schemes it becomes important to have a full assessment of the reserves of underground water, particularly in the dry middle and lowveld areas. Recent work undertaken by one of the mining houses has shown that underground water supplies can be successfully detected by using geophysical methods. As a first step it is therefore proposed to carry out an extensive survey using these methods to determine the location and extent of the available resources. An adequate survey could be completed in five years.

Office Accommodation : Capital £4,000.

This provision has already been approved as Scheme D.6202. Accommodation has been provided for the United Nations and local counterpart staff who will be engaged on the aerial geophysical survey to be financed by the Special Fund over the four year period 1966-69.

Aerial Geophysical Survey (Local Counterpart) :
Capital : £16,000
Recurrent : £30,000
Residual Recurrent : £9,000.

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In June, 1965, the Governing Council of the United Nations Special Fund approved the application submitted by the Government of Swaziland for an aerial geophysical survey of the Territory.

Funds totalling $ 417,000 are to be provided by the United Nations Special Fund. This is made up as follows :-

	$	
Experts	176,000	
Fellowships	10,000	
Equipment	30,400	
Sub-Contracts	190,000	mainly flying contracts
Miscellaneous	10,600	
	417,000	

The project is of four (4) years duration.

The Government of Swaziland's counterpart contribution in kind is $ 372,000 over the four year period. Most of this will be contributed by the Department of Geological Survey from its existing resources, but additional funds are required for certain staff (draughtsman, administrative assistant) and equipment not provided for in the department's estimates. Provision is also made for the 15% cash contribution which the Territory will have to make to the Special Fund. This is estimated at £13,000.

(d) Water Resources Development:

U.N. Special Fund Survey (Cash Contribution) £25,000.

Application has been made to the U.N. Special Fund for assistance in the preparation of a comprehensive plan for the development of water resources of the Territory. A two year survey by about a dozen experts is envisaged at a cost to the Special Fund of over $ 500,000. The project would include :-

(a) the formulation of a multi-purpose plan for the development of water resources;

(b) the provision of experts to advise and strengthen existing agricultural services; and

(c) a programme of training to enable the Swazi to participate more effectively in the actions leading to the improvement of agriculture, with particular reference to irrigation.

(e) Land Purchase:

Swazi Resettlement Schemes.

It is hoped to purchase certain areas of land on which to resettle Swazi farmers. The exact areas and details of the resettlement proposed have not yet been decided and worked out.

Social/.....

Social Services.

(a) Education.

It has been sufficiently stressed in the previous chapter on the objectives of development expenditure that one of the principal difficulties in the way of bringing Swazi into the economic system at all levels is the lack of educated and trained people. There are very few Swazi graduates, and few matriculants or trained artisans. Many of those who go through the primary schools do not complete the course, and the wastage in the secondary schools is also high. There is little doubt that any serious attack on the problem of the dual economy will be possible only through a substantial improvement in the educational facilities available, especially at the secondary, higher and technical levels.

The broad aims of educational policy can therefore be summarized as follows :-

(a) To provide universal primary education;
(b) To provide at least one qualified teacher in every school;
(c) To grant-aid all existing schools;
(d) To provide a proper selection instrument for admission in the secondary schools;
(e) To diversify the secondary schools curriculum to meet the demands of a changing society;
(f) To increase teacher training facilities so as to make it possible to provide qualified teachers for all schools;
(g) To increase technical and vocational training to meet the demands of both Government and Industry;
(h) To provide some programme of Adult Education for those persons wishing to improve their standard of education;
(i) To provide as much bursary assistance as funds permit for both secondary and post-secondary education;
(j) To provide for efficient administration supervision and inspection to ensure that the funds spent on the above schemes are used to the best advantage possible.

The recommendations of a UNESCO Educational Planning Mission which visited the Territory towards the end of 1964, coincide to a large extent with the broad aims enumerated above. One of the major recommendations of the mission, however, was that a detailed 10 year development plan for education should be prepared, and that the plan should endeavour to cover the ideal requirements of manpower needed in the various sectors of the economy. Priorities would then be decided in the light of the finance available.

Funds have been allocated for development generally under the 1965 Overseas Development and Service Act for a three year period, but, as explained at the beginning of the Chapter, this has effectively been reduced to the two year period 1966/68. Assistance may be given under the Act after 31st March 1968 for a further two year

period/.....

period. The rate of constitutional advance may, however, affect this expectation. In Swaziland's present grant-aided condition there is little possibility of local alternatives to C.D. & W. assistance when independence comes. A 10 year development plan would therefore have firm finance for the first two years, probable finance for the next two years, and problematical finance for the remaining six years.

In view of this, education planning is being conducted as two exercises. The first, the immediate need to budget for 1966/68, is contained in the following proposals; the second, the long term need to prepare a comprehensive educational plan has yet to be tackled. An officer of the Education department has recently returned from a course in education planning, and it is hoped to obtain the services of an United Nations expert to prepare the plan, to whom the officer referred to would be the local counterpart.

Of the amount of £1.1 million allocated to Education for 1965/68 no less than £889,000 is committed on the continuation of existing schemes. There is therefore relatively little scope for implementing a significant expansion of education facilities. The prospect of a revision of teachers salaries will further reduce the amount of 'new' money. In these circumstances all that the department can do is to devote the exiguous amount at its disposal to the three aspects of education on which all expert opinion is agreed constitute the highest priorities. These are teacher training, secondary education, and the provision of bursaries. The other high priority subject, technical education, has, on the advice of an I.L.O. expert on industrial training been transferred to the department responsible for labour matters, apprenticeship training and trade testing.

(a)Teacher Training - Capital £121,000.
Recurrent £83,000.
Residual Recurrent £36,000.

With the tremendous shortage of teachers and the difficulties experienced in recruiting additional teachers this obviously must be priority number one, for unless additional teachers can be found and found very quickly the expansion of the educational programme must grind to a standstill. To provide a new teacher training college will take time and it would seem that the most logical solution is to provide additional accommodation at the existing centres as soon as possible. It is therefore proposed to increase the accommodation at the two existing Teacher Training Colleges from 195 at at least 340 students by 1968.

Included in this section is the continuation of the small scheme for womens education (D.6129) started in 1964 to assist the mission authorities at Mbuluzi with the training of Domestic Science Teachers.

Secondary Education - Capital £120,000.
Recurrent £258,000.
Residual Recurrent £120,000.

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This must rate in the same "priority category" as teacher training but because of financial stringency it will not be possible to provide anything like the required needs and little more than inescapable commitments are therefore included in the programme. The proposed capital expenditure provides for additional classrooms and laboratories at two Higher Primary Schools (with a Form I top) which will be upgraded to Junior Certificate status and a proposed capital grant to a Missionary Society for the purpose of establishing a day Secondary School in the densely populated sugar area in the North East of Swaziland. In addition to a few miscellaneous classroom and equipment grants it also provides some assistance (£15,000) to certain Secondary Schools to erect additional classrooms (probably prefabricated) to absorb the "bulge" in 1968 which will result when two streams will be leaving the primary schools because of a policy decision to shorten the primary school course by one year (i.e. from an eight to a seven year course) with effect from the end of 1967. However, it must be stressed that the small provision of £15,000 will not be sufficient to absorb the "bulge" and at least another £25,000 will have to be found from other sources if this is to be done.

Bursaries (Evelyn Baring High School) : Capital : Nil
Recurrent : £23,000.
Residual Recurrent : £19,000.

Scheme D.6403 was approved in 1965 to provide bursaries for pupils attending the Evelyn Baring High School at Goedgegun. Enrolment at this school, which was a predominantly European school with boarding facilities until integration began in 1963, has fallen sharply from 450 to 100. It was decided that the best way of utilising the facilities at the school would be to reorientate the curriculum towards that of a technical high school, for which there is an undoubted need, from the beginning of the 1966 academic year. Two Form I classes of 30 pupils each will be started in 1966. Provision has been made in Scheme D.6403 for bursaries for all 60 pupils.

Primary Education : Capital £87,000.
Recurrent £174,000.
Residual Recurrent £75,000.

The small provision for capital provides for inescapable commitments to expand existing facilities in the densely populated communities at Havelock Mine and the Big Bend/Mhlume sugar areas and to provide facilities at the Ngwenya Iron Ore Mine and the new Industrial Complex at Matsapa.

The only additional recurrent expenditure which can be afforded (over and above what is required to carry forward existing commitments) is on new staff at the schools mentioned above and a certain number of new posts to cater for inescapable expansion at some existing schools.

Manzini School Hostel Capital - Nil. Recurrent £30,000.
Residual Recurrent £11,000.

This/.....

This is a continuation of Scheme D.4075 which provides for the maintenance of the Manzini Primary School Hostel.

Administration and Inspection : Capital £18,000.
Recurrent £35,000.
Residual Recurrent £12,000.

Under C.D. & W. Scheme D.6029 provision was made in 1964 for the appointment of an Examinations and Syllabus Officer. The scheme was later expanded to include an Organiser of Boys' Work, a Higher Executive Officer and some clerical staff to relieve the Education Officers of routine desk work and so enable them to concentrate on their professional duties.

Adult Education : Capital £9,000.
Recurrent £23,000.
Residual Recurrent £9,000.

This is a continuation of Scheme D.6112, which finances a small adult education unit, consisting of two organisers (one male, one female), one supervisor and clerical support. The function of the unit is to advise those who wish to take correspondence courses as to those most suited to their needs and aspirations and to liaise between students and correspondence course institutions; also to organise evening classes, with the assistance of existing teaching staff.

Contribution, University of Basutoland, Bechuanaland and Swaziland : Recurrent £130,000.
Residual Recurrent £60,000.

A grant was made from Central C.D.& W. funds in 1964 as a contribution towards the recurrent expenditure to be incurred by the University during the 1964 calendar year. This expenditure was to be financed from four sources :

1. Annual grants from territorial budgets - £19,500 from each;
2. Revenue from students' fees;
3. Contribution towards scholarships from the U.N. Agency for International Development;
4. Contribution of up to £150,000 from C.D. & W. Funds.

As the result of an increase in the number of students and teaching staff recurrent expenditure was expected to rise to £473,000 for the fifteen month period 1st January 1965 to 31st March 1966. This was to be financed as follows :-

1. Annual grants from territorial budgets	£132,000
2. Other sources (A.I.D.) and fees)	133,000
3. C.D. & W. grants	208,000
	£473,000

Swaziland/.....

Swaziland contributed £19,000 towards (3) from its C.D. & W. allocation.

It has not yet been decided to what extent Swaziland should contribute towards the recurrent cost of the University from 1st April 1966. The amount to be provided under (3) C.D. & W. grants will be approximately £270,000 for 1966/67 with a further increase in 1967/68. It is the view of Government that contributions should be based on the number of students from each territory. Provisionally, an amount of £111,000 has been earmarked for U.B.B.S. for the two years 1966/67 and 1967/68.

(b) Training.

Training Policy

Although a beginning has been made, by way of the schemes that follow, in creating and developing civil service training facilities and in obtaining training abroad for members of both the public and private sectors, it is essential to continue and, so far as finance permits, expand this work if the gaps between trained local manpower resources and the needs implicit in impending independence are to be narrowed. The aim of these schemes is to produce as many trained persons as possible at levels ranging from the professional to the clerical with special regard to the policy of localising the Public Service and improving its efficiency.

Particulars of individual schemes are as follows :-

Training Section : Capital - Nil.
Nett Recurrent £15,000.
Residual Recurrent £6,000.

This is a continuation of scheme D.5304 under which a training section was established to administer all aspects of post-secondary education and training and in-service training.

With the approach of independence and the intensification of all forms of training it will be necessary to enlarge the section through the appointment of an Assistant Training Officer.

Professional and Technical Training : Capital - Nil.
Nett Recurrent - £77,000.
Residual Recurrent - £25,000.

This scheme is a continuation of Scheme D.5998, and its primary purpose is to provide funds to enable local people to obtain training at higher and middle levels which, in the absence of training institutions in Swaziland, must be obtained abroad. The scheme makes provision for teachers, geologists, agriculturalists, veterinarians, magistrates, doctors, pharmacists, surveyors, and engineers at graduate level and for technicians of various kinds, Local Government Officers, District Assistants, draughtsmen, nurses, prison officers, field officers, etc. at the non-graduate intermediate level.

Secondary purposes of the scheme are to meet the travelling costs and other expenses of students offered scholarships for study abroad by other Governments and Agencies and to enable Government to assist students in studying by correspondence in suitable cases.

A high proportion of scholarships under this scheme are awarded for study at the U.B.B.S. which serves, in addition to being a degree awarding University, as an 'A' level institution for those students wishing to study for degrees not offered by the University.

Funds provided under this scheme were used to finance, in whole or in part, the training of 87 persons during 1965.

In addition to the training to be provided under this scheme it is estimated that the Territory will benefit from training facilities provided in Britain and financed under S.C.A.A.P to the value of at least £15,000 per annum. The greatest possible use is also made of offers of assistance from Commonwealth and other Governments and organisations.

Training Grades : Capital - Nil.
Nett Recurrent - £59,000.
Residual Recurrent - £10,000.

This scheme is a continuation of scheme D.6037 and is designed to facilitate in-service and pre-entry training for civil servants and potential civil servants through the provision of supernumerary posts for civil servants and funds from which pre-entry trainees can be paid allowances whilst undergoing training. Without this scheme in-service training is impracticable in such a small service and many school leavers would find it impossible to take pre-entry training because of the expense involved.

19 persons completed training under this scheme during 1965 and 42 were in training at the end of the year.

Staff Training Institute (formerly Central Training School)
: Capital £62,000.
Nett Recurrent : £72,000.
Residual Recurrent : £35,000.

This scheme is a continuation of scheme D.6169 under which a Staff Training Institute was established in 1965. A number of capital items were postponed in 1965/6 for financial reasons but are essential if the Institute is to fulfil its proper role in training men and women for the Civil Service. These included a library, a residence for women and lecture theatre.

For financial reasons it has again been found necessary to omit the women's residence and lecture theatre and the only expansion possible during the current development period will be the addition of a modest library and a large typing room.

(c) Industrial/....

(c) Industrial Training.

Technical Education : Capital £25,000.
Recurrent £48,000.
Residual Recurrent £17,000.

This Scheme provides for a continuation and expansion of Scheme D.4719 which helped to finance the Trades Training Centre.

Local industry continues to demand an ever-increasing number of persons with the basic training needed to equip them to embark upon indentured apprenticeships. So keen are they to get Swazi, instead of importees, that they are sponsoring Swazi trainees at the Centre, paying all their fees, and guaranteeing employment on successful completion. About 50% of the 1965 intake was so sponsored.

Capital expenditure, started under previous C.D. & W. schemes, will permit an intake of 40 + into the three year courses, and a total enrolment of 130. An output of 40 in five trades will not meet the demands of industry but it will enable the Swazi to play a significant role in the present industrial development.

In 1963 the Centre was left with a Principal and two instructors, three instructors leaving for better paid posts. The Centre closed and was occupied by the military, for whom it provided an ideal M/T centre. Fortunately local industry came to their assistance and the vast majority of trainees were placed on the floor of industry, and were visited by the Principal and the two remaining instructors who gave theoretical instruction one day per week. This sort of co-operation indicates the keenness of industry to obtain Swazi artisans.

The Centre is now functioning with a minimum of inadequately qualified staff. The scheme is designed to prevent a recurrence of the embarrassing 1963 situation, to permit the recruitment of the qualified staff required, and to raise the standard of training to a level which industrial Swaziland warrants.

In 1965, Professor Tolani, I.L.O. expert on industrial and vocational training, visited Swaziland at the request of Government to undertake a survey of the Territory's needs in regard to industrial and vocational training. Further details of the future running of the Centre will not be available until the Tolani Report is published and has been accepted by Government.

Industrial Training - Capital £15,000.
Recurrent £19,000.
Residual Recurrent £9,000.

Scheme D.5008 was approved in 1963 to finance the appointment of a Controller of Apprenticeships. This officer was recruited in April 1964. In order to implement properly the apprenticeship scheme, with its attendant trade testing, it was decided to appoint a Trade Tester to assist the

Controller/.....

Controller. The Trade Tester was appointed in July, 1965.

In 1965, Professor Tolani, I.L.O. expert on industrial and vocational training, visited Swaziland at the request of Government to undertake a survey of the Territory's needs in regard to industrial and vocational training. Government accepted this expert's advice that it was essential that co-ordination and supervision of the Industrial and vocational training programme should be undertaken by a chartered mechanical or electrical engineer. This important objective cannot be realised with staff at present available, and it is therefore necessary to create a post for the recruitment of a suitably qualified and experienced officer.

Trade testing, an integral part of the industrial training programme, cannot be carried out efficiently other than at an established centre where facilities exist for constant supervision and proper selection of appropriate exercises. The establishment of a trade testing centre is therefore essential and provision has been made for this.

(d) Health Services.

Departmental Policy.

The medical services provided for the people of Swaziland continue to be shared by the Government, the medical missions, certain large industrial concerns which provide their own basic medical facilities, and by a number of private practitioners. There are now in Swaziland 43 medical practitioners, 8 hospitals, providing 789 beds, which includes the Mahamba hospital which is rented by Government from the Methodist Mission (30 beds at present) and 37 clinics in outlying areas. There is also a 12 bed private nursing home in Mbabane, which makes a total number of hospital beds available 801, that is 2.9 per 1000 persons, and one doctor per 6,516 persons.

Preventative medicines, General Public health work, and the control of major infectious diseases is carried out by two medical officers of health, five health inspectors, and subsidiary staff.

The curative health services might be described as fairly adequate in urban areas, and in the large industrial projects, but are most inadequate in the rural areas. This is also true of the Public Health and environmental hygiene services.

The health problems which require the most urgent attention in Swaziland are :-

a) Tuberculosis,
b) Rural Health Services,
c) Malnutrition,
d) Health Education,
e) Care of the Mentally ill, who are at present housed under extremely poor conditions in gaols, and

(f)/.....

f) Improvements to hospital services, consisting of the virtual rebuilding of Mbabane Hospital, which is in a dilapidated condition, and the enlarging of Hlatikulu Hospital, where severe over-crowding exists, the provision of hospital facilities for the eastern area of Swaziland, and improvements to other Government hospitals and mission hospitals.

Lack of funds has precluded attention to all the above problems except Tuberculosis, certain rural health services, and extension to medical services. Funds are now required to continue the Tuberculosis control project, the extension to medical services, and the construction of clinics, and the provision of a mental hospital.

Extensions to Medical Services : Capital £30,000
Net Recurrent £334,000
Residual Recurrent £132,000.

This is a further continuation of scheme D.4912. The purpose of the original scheme was to meet the situation that arose when the territory became grant aided and it was no longer possible to charge the cost of additional medical staff against the local budget.

The scheme must be continued to carry existing staff until such a time as they can be taken over by the territorial budget, and must be expanded to allow for increasing needs in most branches of the medical department. The existing scheme already allows for the renting and operation, as a Tuberculosis hospital, of Mahamba Methodist mission hospital, and the payment to the Nazarene mission of an in-patient maintenance grant. Accommodation at Mahamba hospital has been restricted to 30 beds at present due a structural fault in the hospital, but it is hoped that this will soon be remedied and provision has already been made for an increase of 100 beds. The Health Education unit is making most satisfactory progress and provision is included for expansion in this sector.

Tuberculosis Control : Capital £400
Net Recurrent £48,000 +
Residual Recurrent £20,000

+ Including £5,000 from Chamber of Mines 1965/66 only.

Tuberculosis remains Swaziland's main health problem and the existing curative health service is unable to tackle the problem adequately.

With funds supplied by C.D. & W. scheme D.4913 the control project approved by the medical adviser to the Secretary of State, and operated by W.H.O. and local staff, with assistance from UNICEF and the Chamber of Mines is now functioning, with the view to establishing a national Tuberculosis programme. The continuation of the project is essential, because it is apparent that this method of tackling

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the tuberculosis problem is best suited to local conditions. The Chamber of Mines contribution of £5,000 per annum will not continue beyond 1965/66.

N.B. Figures given as residual recurrent expenditure include the 12½% Government contribution to salaries of W.H.O. personnel, and also allows for the Chamber of Mines annual contribution of £5000 to be taken over as a Government charge.

Summary of Total Expenditure of Scheme D.4913.
Tuberculosis Control

	1965/66	1966/67	1967/68
World Health Organization	20,750	20,750	20,750
U.N.I.C.E.F.	587	587	587
Chamber of Mines	5,000	-	-
C.D. & W. Funds	6,334	18,311	19,159
£	32,671	39,648	40,496

Rural Clinics : Capital £10,000.
Net Recurrent - Nil
Residual Recurrent - Nil

There are at present 37 clinics scattered throughout Swaziland, 23 of these being conducted by missions, and 14 by Government.

These Clinics hold a very important place in the medical field in bringing primary health services within the reach of the people; by acting as out-posts of the parent hospital, by passing to them the more serious cases, and by receiving from them the convalescent cases; by providing rural centres from which the resident nurses can hold Ante-Natal and Child Welfare sessions and from which they can disseminate health education.

Staffing and running of clinics is an integral part of the Territorial and Extensions to Medical Services budget.

It is essential that Clinic services in Swaziland be extended as much and as soon as possible, but at this stage, development within the three year period cannot be carried beyond 1966/67 due to the limited funds.

Mental Hospital - Capital £60,000.

Mental patients are at present housed under extremely poor conditions in prisons because there is no mental institution in the country.

A 120 bed mental hospital is required but there are insufficient funds to build an institution of this size. It

is/.....

is therefore proposed to aim initially for a 70 bed hospital. This would cost £60,000 and even this is beyond the financial sources of Government. This item has however, been included in these proposals because of its priority rating in the medical programme. If sufficient funds become available through savings in the medical and other programmes the hospital will be built later during the period.

SUMMARY.

	1965/66 £	1966/67 £	1967/68 £	Total £
Extension of Medical Services	98,000	145,000	121,000	364,000
T.B. Control	13,000	15,000	15,000	43,000
Construction of Clinics	10,000	-	-	10,000
Mental Hospital	-	-	43,000+	43,000
£	121,000	160,000	179,000	460,000

+ Funds at present available under departmental allocation

(e) Broadcasting.

Establishment of Broadcasting Service : Capital £108,000
Recurrent £ 72,000
Residual Recurrent £ 28,000

The original estimates were based on the Thorneycroft Report of 1962 but were revised to conform to the Chalmers Report of 1964 and again revised in July, 1965, to allow for the building of offices, studios and a temporary studio, a total sum of £130,007 being allocated.

The Transmitter Hall and Temporary Studio have been completed and a 10 KW Marconi Medium Wave Transmitter installed. It is hoped to complete the main studio and offices by September 1966.

Four Swazi Producer/Announcers have had training with the B.B.C. and the Senior Producer/Announcer has been recruited through the B.B.C.

Broadcasting should commence in February 1966, from 1800 hours to 2030 hours. The programmes will be mainly in SiSwati, 1800 hours to 1930 hours, with an English programme from 1930 hours to 2000 hours. The last half-an-hour will be relayed live from the B.B.C. i.e. the News, Current Affairs and Radio Newsreel. It is hoped to extend the air time from 2030 to 2100 hours in April, 1966.

In view of the necessity to exercise the utmost stringency with finance, estimates for the period 1966/68

have /.....

have been pruned to a bare minimum. There is no provision for a standby transmitter nor for any increase in staff or equipment. Under these circumstances it is most unlikely that air time will be increased beyond three hours per day.

(f) Community Development : Capital £50,000.
Recurrent £13,000.
Residual Recurrent £4,000.

Scheme D.6058 was approved in 1964 to establish a Community Development Department.

The scheme was originally tied to the appointment of a United Nations Adviser and it was not until October 1964 that funds were released for expenditure in advance of the appointment of the Adviser. Since that date officers of the district administration and the local Community Development Officer have made a good start on a number of self-help field projects many of which have been completed. Owing to the lateness in releasing the funds and the fact that the United Nations Adviser will not arrive until the end of January 1966 it is estimated that less than half of the capital authorised for field projects will be spent by 31st March 1966.

There is no doubt that the Community Development scheme is beginning to make a big impact on the people, particularly in the rural areas and funds are sought to continue the scheme for a further two years.

(g) Social Welfare : Capital £9,000.
Recurrent £44,000.
Residual Recurrent £17,000.

Scheme D.5171 was approved in 1962 to create a small Social Welfare Department.

All the posts listed in the scheme have now been filled. The approved scheme is extended during 1966/67 and 1967/68 to allow for additional posts of four male and four female social welfare assistants. Provision for expenditure on the prevention of delinquency, and the promotion of child welfare, sports organizations and youth movements is maintained at the same level as that already approved.

The scheme is further expanded by the inclusion of a new section relating specifically to the promotion of the Scout and Guide movements in the Territory. If these movements are to thrive they must be co-ordinated and encouraged by full time roving commissioners recruited locally. Much good promotion work is being done voluntarily by persons in the larger centres, but these persons do not have the time or the means to penetrate the rural areas or to reach the smaller centres. Capital provision of £1500 is therefore sought for a vehicle (sleeper) for a Roving Scout Commissioner (the Guides already have a small vehicle which is suitable) as well as recurrent provision of £2,600 a year for the salaries of the Roving Scout and Guides Commissioners, transport expenses, equipment and a small amount for contingencies.

(h) Public/.....

(h) Public Libraries : Capital - Nil.
Recurrent £8,000.
Residual Recurrent £4,000.

The British Council representative who visited Swaziland in connection with the establishment of a library service reported as follows :-

"Any Public Library service for Swaziland must be geared to the educational needs of the country. Of necessity, the first priority must be to meet the urgent need for books for students of all types at all levels. This does not mean that the service should concentrate entirely on text-books in the normal sense but that reading matter will tend to be mostly informative, varying from books at University level to simple practical works of the "Teach yourself" type. This educational need will also determine the facilities provided, in that each Library will need to have adequate accommodation for study and reading on the premises. It will also be necessary to give adequate attention to the reading needs of children. It is vitally important that children should have the opportunity of reading for pleasure and information outside the classroom where, in any case, they have little except the set reading Primer. Such opportunity could contribute to a general improvement in reading ability which, in turn, could result in a higher standard in student ability to absorb knowledge."

It is proposed that a central library should be established in Manzini which is the geographical centre of the Territory and which is also developing as the centre of educational facilities. A mobile library would operate to other centres of the Territory where in some cases local libraries or community halls are in existence. Where suitable buildings do not exist a book box system, used with success in other countries, will be introduced.

In the first place the service will be administered by a representative library committee and as the service grows it may be necessary to translate the committee into a statutory board backed by suitable legislation which the British Council can provide when necessary.

The urgent need for a national library service is fully recognized and the British Council is prepared to meet the capital needs of such a service in 1966/67 provided the Government can provide a suitable site in Manzini and meet the recurrent expenditure.

The British Council capital grant proposed is made up as follows :-

	£
Building	15,000
Furniture & Equipment	1,500
Mobile Library	2,000
Books £5,000 p.a. for 3 years	15,000
	£ 33,500

Possible/.....

Possible scholarships for training 3 years, at say £1,000 per annum.

The recurrent expenditure which the Government is asked to meet amounts to £4,100 a year for the first three years and £7,600 thereafter.

(i) Adult Literacy : Capital - Nil.
Recurrent - £14,000.
Residual Recurrent - £6,000.

Adult Literacy in Swaziland is conducted through a voluntary agency, the Swaziland Sebenta Society, which was formed in 1961 and objects of which are to further education and community development in its widest sense. The principal function of the Society has been in the field of adult literacy. Their limited sources of finance in the beginning were from public subscription and a membership fee of 50 cents (5/-) a year.

In 1963 the Society appealed to the Calouste Gulbenkian Foundation and succeeded in receiving a grant of £10,000 over the three years 1964 to 1966. The payment of the grant in the second and third years was conditional upon the continuation and increase of local contribution.

Although the target for certificated literates during 1964 was estimated at 5,000 these amounted to only 100. There were two main reasons for this. Firstly, although the Swazi National Council nominally supported the Society, it did not give it active support. Secondly, and mainly due to the first reason, it took time to pass the message of adult literacy into the rural areas where the majority of the illiterates live. However, in March 1965 the Ngwenyama attended in person a conference on literacy sponsored by the Society and openly encouraged all his people to take good advantage of the opportunity to learn to read and write. Since then the demand for literacy classes has outstripped the present capacity of the society.

It is still uncertain whether the Gulbenkian Foundation will continue with its financial aid after 1966, Unless the Society is assisted now it is in grave danger of losing further assistance from the Gulbenkian Foundation, in which case it will have to abandon their campaign.

The Society has recently re-organized and re-planned its campaign over the next five years on a "shoe-string" basis. The capital and recurrent estimates proposed are summarized as follows :-

	£
1966	11,000
1967	8,000
1968	8,500
1969	9,000
1970	10,000
TOTAL	£46,500

There/.....

There is evidence available that the campaign has the support of some industrialists, who have employed literacy instructors on their own account. There is a strong demand for classes in the Government prisons and prison officers are assisting. Other organizations are making contributions in cash and as the project expands contributions from the private sector will no doubt increase. It might well be that the Gulbenkian Foundation will continue to assist on a reduced scale if the Government can be seen to be supporting the project in a more positive way.

The Government contribution to date has amounted only to £100 in 1964/65 and £400 in 1965/66 paid from the budget. No budgetary grant is planned in 1966/67 but it is considered that the Sebenta Society is worthy of support from C.D. & W. sources to the extent of three quarters of the planned provision shown above by way of a recurrent grant. The Society plans to end its campaign after the fifth year by which time, it is hoped, most Swazis will be able to read and write. Residual expenditure would therefore end in the year 1970/71.

	1966/67 £	1967/68 £	Total £
Recurrent	8,000	6,000	14,000

SUMMARY.

	1965/66 £	1966/67 £	1967/68 £	Total £	Residual £
Education	360,000	410,000	345,000	1,115,000	342,000
Training	123,000	86,000	76,000	285,000	76,000
Industrial Training	36,000	44,000	27,000	107,000	26,000
Health	121,000	160,000	171,000	452,000	152,000
Broadcasting	130,000	25,000	25,000	180,000	28,000
Social Welfare	13,000	24,000	16,000	53,000	17,000
Community Development	30,000	9,000	24,000	63,000	4,000
Public Libraries	-	4,000	4,000	8,000	4,000
Adult Literacy	-	8,000	6,000	14,000	6,000
TOTAL	813,000	770,000	694,000	2,277,000	655,000

Administrative :

P.W.D. Development Posts : Capital £15,000. Recurrent £69,000
Residual Recurrent £29,000.

This is a continuation of Scheme 5859 which finances a number of P.W.D. posts concerned with the planning and super-

vision/.....

vision of roads and buildings projects. The future of this unit will depend on the amount of development expenditure available for roads and buildings, and on the possibility of filling existing vacancies. Provision is made, however, for the continuation of the unit as at present organised.

Hydrological Survey - Capital £15,000.
Recurrent £56,000.
Residual Recurrent £20,000.

Provision is made for the continuation of Scheme D.5513 under which a number of gauging stations have been installed on the main rivers. The value of accurate hydrological data does not have to be stressed in a country where the use of water for irrigation and other purposes is nearing run of the river capacity, and where the proper ultilization of all available water resources is essential for the continued expansion of agriculture and industry.

Economic Planning and Statistical Unit - Capital £12,000.
Recurrent £18,000.
Residual Recurrent £9,000.

The need for an adequate statistical foundation for economic planning has been referred to in earlier chapters. Scheme D.6358 was approved in 1965 to establish a small statistical unit but no progress was possible until the services of an experienced statistician could be obtained. A U.N. expert was, however, recruited towards the end of 1965, and is now organising the collection of statistics on a systematic basis. A U.N. economic planning expert was also recruited at the same time. The work of these two experts is obviously complementary and it is proposed to expand Scheme D.6358 to finance a small combined economic planning and statistical unit.

U.N. Programmes (Local Contributors) - Recurrent £16,000.

Under the U.N. E.P.T.A. programme the recipient country is required to pay a local contribution amounting to 12½% of the cost of providing experts. Swaziland's E.P.T.A. allocation for the biennium 1966/1967 is £300,000. A programme has not yet been drawn up, but it is desirable to make provision for contributions at the rate of 12½% of the allocation. Provision is also included for the 1965 local cost contribution.

Population Census : Capital £5,000.
Recurrent £30,000.

The decennial population census will be held in May 1966. It has been ruled that the cost should be met from C.D. & W. funds, and an application for a grant of £35,000 has already been submitted.

Foot and Mouth Campaign - Recurrent £25,000.

The outbreak of Foot and Mouth disease in February 1965 cost over £300,000 to contain. In the course of the campaign considerable expenditure was incurred on fencing, roads, equipment etc. which will be of lasting benefit to

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the country. It has been decided that an amount of £25,000 should be transferred from the C.D. & W. allocation as a 'development' contribution towards the expenditure incurred.

SUMMARY

	1965/66 £	1966/67 £	1967/68 £	Total £	Residual £
P.W.D. Development Posts	35,000	25,000	24,000	84,000	29,000
Hydrological Survey	25,000	23,000	23,000	71,000	20,000
Economic Planning & Statistical Unit	14,000	7,000	9,000	30,000	9,000
U.N. Programmes (Local Contribution)	3,000	6,000	7,000	16,000	8,000
Population Census	-	35,000	-	35,000	-
Foot and Mouth Campaign	25,000	-	-	25,000	-
TOTAL	102,000	96,000	63,000	261,000	66,000

LOAN PROPOSALS:

As explained earlier no allocation of loan funds has been made under the 1965 Overseas Development and Service Act. Moreover, it is not known whether Swaziland can obtain 'soft' or interest-free loans, and if so in what proportion to 'hard' loans.

The following statement shows the position of loan projects already approved or which the Government is likely to wish to finance by loans.

Telecommunications - £150,000:

Legislative approval was given in 1964 for the raising of an Exchequer loan of £295,000 to finance a four year programme of telecommunications development. This expenditure was to be phased as follows:-

	£
1964/65	82,000
1965/66	63,000
1966/67	79,000
1967/68	71,000
	£295,000

The proposals for 1966/67 and 1967/68 are :-

1966/67/.....

1966/67		£
1. Construction of P.O.Exchange, Mbabane		60,000
2. New connections and improvements		10,000
3. Construction staff		7,000
4. Running Costs of Vehicle and Travelling Expenses		1,400
		78,400
	say	79,000

1967/68		£
1. 4 digit exchange for Mbabane : Purchase and Installation		56,000
2. Transfer existing Mbabane equipment to Manzini		1,500
3. New connections		10,000
4. Construction staff		3,000
5. Running costs of Vehicles and Travelling Expenses		875
		71,375
	say	71,000

Swaziland Electricity Board : £200,000.

The Secretary of State has agreed to make available an Exchequer loan of £200,000 for onlending to the Electricity Board. The Board is at present planning extensions to both generation and distribution as the second phase of development of the central hydro-electric supply scheme. These extensions will not be in use for nearly two years; in the meantime the Board must provide a supply to a large new consumer. This is the sugar producing area in the N.E. of the country. The initial power offtake in this area will be increasing to about 15 million units within five years. To provide this supply a transmission line must be built from the Edwaleni power station to the Tambankulu area. The costs of this line, together with ancillary expenditure, will be £200,000. Conservative projections of revenue and expenditure indicate that the Board will have no difficulty in meeting its loan obligations, which, with the £200,000, will total £2.2m.

The extensions now being planned will cost in the region of £1.5 m. An approach has been made to the International Bank for Reconstruction and Development for loan assistance. If this approach is successful it may be necessary for the Board to seek further Exchequer loan assistance for any local counterpart finance which the World Bank may require as a condition of granting a loan.

Mbabane Water Supply - £67,500:

Authority was given in 1964 to spend £6,500 on urgently needed extensions to the Mbabane Water Supply

Scheme/.....

Scheme in advance of the approval of the major expansion programme. The position may be summarized as follows :-

Consumption is increasing at a very high rate, and the present peak demand (650,000 g.p.d.) is only slightly below last year's flow minimum of the source streams, and in excess of the lowest flow level which might be expected in a particularly dry year. Additional source capacity is therefore urgently required to meet the continued increase in peak demand, which is expected to reach 1,000,000 g.p.d. by 1968/69. A suitable site has been located, which will produce a minimum all year round supply of 1,500,000 g.p.d. The augmentation of the source capacity to permit a peak consumption of 1,000,000 g.p.d. by 1968/9 will involve complementary expansion of treatment works, reservoir capacity and distribution mains. The total cost, including the expenditure incurred in 1964 on emergency work, will be £67,500. This consists of :-

	£
1. Additional filters, chlorination equipment and pipeline to increase the works capacity to 1 million g.p.d.	6,000
2. 1 million gallon service reservoir	32,500
3. Pumping main from Mbuluzi river, pump station and weir	14,500
4. Feeder mains	9,500
5. Consultants' Fees, Contingencies	5,000
	67,500

An application for an Exchequer Loan of £67,500 has already been submitted with projections of revenue and expenditure demonstrating that the repayment of this loan, and of existing loans, and the annual operating costs can be met from anticipated sales of water with only a small increase in the tariff. It is accordingly not necessary to deal with this here.

Manzini Water Supply : £130,000.

The development of the Matsapa complex in 1964 precipitated the need for extensions to the Manzini Water Supply Scheme which were being planned at that time. Approval was therefore given to spend £32,500 on urgently needed extensions pending the planning of the main scheme.

To summarise the position, consumption has risen dramatically from 160,000 g.p.d. in 1961, to 500,000 g.p.d. in 1965, with peaks of 600,000 g.p.d. Consumption is however restricted at peak draw-off periods and the actual demand is considerably higher. An expansion of the scheme was planned in 1962 and included in the 1963/66 development programme, but negotiations for a better source of supply, which eventually proved abortive, have until recently delayed the final planning of the scheme. As an interim measure, however, to meet the sudden and unforeseen development of the Matsapa complex, £32,500 was spent on emergency

extensions/...

extensions, principally a new low level reservoir to produce a greater supply (540,000 g.p.d. as against 400,000 g.p.d.) without an increase in main pumping capacity. This increase helped the Manzini supply to be extended to Matsapa. The planning of the full scheme has recently been completed and it is estimated that a total of £130,000 (including the £32,500 already referred to) will be required to meet Manzini's foreseeable requirements.

As in the case of the Mbabane Scheme, an application has already been submitted in support of an Exchequer loan of £130,000. The scheme will be able to service this loan, in addition to existing loans, and to meet operating expenses without an increase in the tariff. It may in fact be possible to reduce the tariff slightly in future years if consumption increases at the expected rate.

Mbabane Sewerage Scheme - £37,500.

The treatment works are now operating at very close to their designed capacity and, with the continued development of the central area of the town, must be extended as soon as possible.

Extensions to the reticulation system to serve the area of the town zoned for flats and to connect up the Clinic Hospital and new Government Buildings are urgently needed.

The scheme is now operating at a small profit, but with the additional loan charges due to these extensions there would be a loss for several years before it could be expected to operate at a profit. The tariff is already very high and it would not be possible to increase it to eliminate losses over the first two or three years following the extensions. Some interest free loan money may be required to produce a viable scheme.

Manzini Sewerage Scheme - £65,000.

The economic structure of the present scheme is such that it should be operating at a profit within about five years. The estimated revenue that will accrue from sewering the balance of the central area should exceed the loan charges involved from the start. The estimated cost of this work is £35,000. A further £30,000 is required to serve the proposed high density area adjoining the mission hospital. It will also serve the latter and thus alleviate the undesirable conditions pertaining at the moment. A further loan will be required to build a conventional works within the foreseeable future. It is probable that an element of subsidy, in the form of an interest free loan, may be required for this scheme.

Goedgegun Water - £8,000.

An amount of £8,000 is required over the next two years principally for a storage reservoir, the provision of which is becoming increasingly urgent. As the growth of this town has not matched that of the other centres in Swaziland it may be necessary to slightly increase the existing tariff, which is producing a very small profit at the moment, to meet this additional expenditure.

Big/....

Big Bend Regional Scheme - £75,000.

A private scheme comparable in size to those at Mbabane and Manzini already exists at Big Bend and it is proposed to extend the scope of this scheme on a regional basis. An economic tariff will be introduced to ensure that the scheme operates at a profit. An amount of £75,000 over the next two years is required.

Stegi Water - £4,000.

An amount of £4,000 is urgently required to establish an emergency supply on an alternative source because the existing source weakens in drought years to a dangerous extent. The scheme already operates at a slight loss in spite of the prohibitive tariff, and it will therefore not be possible to increase the tariff to cover the proposed expenditure.

Pigg's Peak Water - £6,000.

An amount of £6,000 is required to instal treatment works, whioh will be primarily for the benefit of the Government hospital. There is little prospect of increasing consumption as a result of this expenditure. Some increase in revenue can be obtained by increasing the tariff, but it is doubtful whether the scheme will be able to cover all loan and operating charges.

Hlatikulu Water - £9,000.

An amount of £9,000 is required to provide treatment works and a new pump station. As at Pigg's Peak, a revised tariff will be necessary, but will have a limited effect on revenue.

Lubuli Water - £5,000.

£5,000 over two years is required to provide an adequate supply. As the entire supply is consumed by Government, there will be no 'real' revenue. Nevertheless, the centre is important for administration and warrants an adequate supply.

Nomahasha Water - £3,500.

Approval has already been given to spend £3,500 on this scheme as a charge to Advances pending the raising of a loan. As in the case of Lubuli this supply is essentially for the benefit of Government consumers.

Since Government is the major consumer in most of these centres it must either subsidise the schemes directly by meeting the difference between revenue and expenditure (if 'hard' loans are used for the extensions) or indirectly, by obtaining loan funds at low or interest free rates.

Town Management Boards.

It is likely that the recently constituted Town Management Boards of Mbabane and Manzini will seek Government

assistance/.....

assistance in raising loan finance. An amount of £200,000 is provisionally earmarked for them.

Agriculture:

In the agricultural proposals reference is made to an Exchequer loan requirement of £150,000 to purchase and develop land suitable for Swazi settlement schemes. Detailed proposals have, however, still to be formulated.

Matsapa Industrial Area - £50,000.

When the Matsapa industrial area was first planned it was assumed that C.D. & W. grant money would be made available for its development. It was, however, decided by the Secretary of State that the project was loan worthy. Reference is made to this loan here since it represents an Exchequer loan commitment for the period 1965/68.

Credit Bank.

It is stated at pages 62-63 that the Credit Bank was established with a C.D. & W. grant of £170,000 and a commercial bank loan of £300,000, but that these funds will have to be supplemented by additional grants and loans if the Bank is to be in a position to finance its anticipated lending programme over the next 10 years. Provisionally £200,000 is included for the Bank from Exchequer loan sources..

SUMMARY

	£	
Telecommunications	145,000 150,000	(1964/65 - 1965/66) (1966/67 - 1967/68)
Electricity	400,000	
Mbabane Water Supply	67,500	
Manzini Water Supply	130,000	
Mbabane Sewerage Scheme	37,500	
Manzini Sewerage Scheme	65,000	
District Water Supplies	110,500	
Matsapa Industrial Area	50,000	
Town Management Boards	200,000	
Agriculture	150,000	
Credit Bank	200,000	
	1,705,500	

TABLE 6

C.D. & W. EXPENDITURE PROPOSALS 1965 - 68

Category	1965/66	1966/67	1967/68	Total	Residual Recurrent
	£	£	£	£	£
Infrastructure	50,000	493,000	356,000	899,000	6,000
Economic	511,000	624,000	528,000	1,663,000	285,000
Social Services	813,000	770,000	694,000	2,277,000	655,000
Administrative	102,000	96,000	63,000	261,000	66,000
	1,476,000	1,983,000	1,641,000	5,100,000	1,012,000

	£
Total C.D. & W. Requirement	5,100,000
Deduct Central & Research Funds	149,000
	4,951,000
Deduct 'Tapering'	175,000
C.D. & W. Allocation £3.9m. plus 'slippage'	4,776,000

TABLE 7.

INDIVIDUAL PROJECTS : 1965/68.

Category and Project	1965/66	1966/67	1967/68	Total	Residual Recurrent.
	£	£	£	£	£
Infrastructure:					
(a) Road Development:					
Matsapa Access Road	8,000 C	-	-	8,000 ✓	-
Road Planning	-	40,000	-	40,000 ✓	-
Roads in Northern Sugar Area	-	100,000	165,000	265,000 ✗	-
Roads in Southern Sugar Area	-	100,000	150,000	250,000 ✗	-
Mkondo Valley Road	-	50,000	-	50,000 ✓	-
Roads to Royal Residences	-	25,000	-	25,000 ✗	-
Compensation Payments, Road Improvements	-	10,000	-	10,000 ✗ 7000	-
Completion I.D.A. Project	-	50,000	-	50,000 ✓	-
(b) Airfields:					
Improvements, Matsapa Airport	-	80,000	-	80,000 ✓	-
(c) Township Development:					
Development of Urban Areas	20,000 C	28,000	30,000	78,000 ✓	-
Crown Land Development	22,000	10,000	11,000	43,000 40,000	6,000
TOTAL:	50,000	493,000	356,000	899,000 353,000	6,000

353.

TABLE 7 (Continued)

INDIVIDUAL PROJECTS 1965/68

Category and Project.	1965/66	1966/67	1967/68	Total	Residual Recurrent
	£	£	£	£	£
Economic					
(a) Agriculture					
Agricultural Research	19,000 37,000(Res.)	29,000 58,000(Res.)	19,000 36,000(Res.)	67,000) 131,000)	55,000
Agricultural Education	73,000	42,000	28,000	143,000	29,000
Agricultural Extension	71,000	60,000	60,000	191,000	40,000
Animal Disease Control)	35,000	36,000	36,000	107,000	19,000
Livestock Improvement)		35,000	35,000	70,000	18,000
Soil Conservation	43,000	70,000	59,000	172,000	31,000
Swazi Settlement Schemes	15,000	55,000	20,000	90,000	22,000
Central Rural Development Board	-	6,000	4,000	10,000	4,000
Economics and Planning	-	27,000	14,000	41,000	14,000
FAO/UNICEF Project (Contribution)	6,000	5,000	6,000	17,000	3,000
Veterinary Training	-	12,000	6,000	18,000	5,000
S.I.S.Vuvulane Scheme	6,000	15,000	15,000	36,000	15,000
Agricultural Inspectorate	7,000	1,000	2,000	10,000	1,500
Botanical Survey	2,000	-	-	2,000	-
Co-operatives	11,000	15,000	17,000	43,000	14,000
TOTAL:	325,000	466,000	357,000	1,148,000	270,500

TABLE 7 (continued)

INDIVIDUAL PROJECTS 1965/68

Category and Project	1965/66	1966/67	1967/68	Total	Residual Recurrent
	£	£	£	£	£
Economic					
(b) Credit					
Agricultural & Housing Credit	171,000	74,000	74,000	319,000	-
(c) Mineral Department					
Location Underground Water	11,000	4,000	6,000	21,000	6,000
Office Accommodation	4,000	-	-	4,000	-
Aerial Geophysical Survey (Counterpart)	-	30,000	16,000	46,000	9,000
	15,000	34,000	22,000	71,000	15,000
(d) Water Resources Development					
Special Fund Survey (Counterpart)	-	-	25,000	25,000	-
(e) Purchase of Land,					
Swazi Re-settlement	-	50,000	50,000	100,000	-
TOTAL ECONOMIC:	511,000	624,000	528,000	1,663,000	285,500

TABLE 7 (Continued)

INDIVIDUAL PROJECTS 1965/68

Category and Project	1965/66	1966/67	1967/68	Total	Residual Recurrent
	£	£	£	£	£
Social Services:					
(a) Education					
Primary Education	106,000	84,000	61,000	261,000	75,000
Secondary Education	151,000	129,000	98,000	378,000	120,000
Teacher Training	24,000	100,000	80,000	204,000	36,000
Manzini School Hostel	9,000	10,000	11,000	30,000	11,000
Administration & Inspection	28,000	12,000	13,000	53,000	12,000
Adult Education	15,000	8,000	9,000	32,000	9,000
Training of Women	4,000	-	-	4,000	-
Bursaries	4,000	7,000	12,000	23,000	19,000
Contribution U.B.B.S.	19,000	50,000	61,000	130,000	? 60,000
TOTAL:	360,000	410,000	345,000	1,115,000	342,000

TABLE 7 (Continued)

INDIVIDUAL PROJECTS 1965/68

Category and Project	1965/66	1966/67	1967/68	Total	Residual Recurrent
	£	£	£	£	£
Social Services:					
(b) Training					
Professional & Technical Training	30,000	23,000	24,000	77,000	25,000
Training Grade Posts	23,000	18,000	18,000	59,000	10,000
Staff Training Institute	65,000	40,000	29,000	134,000	35,000
Training Section	5,000	5,000	5,000	15,000	6,000
	123,000	86,000	76,000	285,000	76,000
(c) Industrial Training					
Technical Education	21,000	35,000	17,000	73,000	17,000
Industrial Training	15,000	9,000	10,000	34,000	9,000
	36,000	44,000	27,000	107,000	26,000

TABLE 7 (Continued)

INDIVIDUAL PROJECTS : 1965/68

Category and Project	1965/66	1966/67	1967/68	Total	Residual Recurrent
	£	£	£	£	£
Social Services:					
(d) Health					
Extensions to Medical Services	98,000	145,000	121,000	364,000	132,000
T.B. Control	13,000	15,000	15,000	43,000	20,000
Construction of Clinics	10,000	-	-	10,000	-
Mental Institution	-	-	35,000	35,000	-
	121,000	160,000	171,000	452,000	152,000
(e) Broadcasting	122,000(Dev.) 8,000(Central)	25,000	25,000	180,000	28,000
(f) Community Development	30,000	9,000	24,000	63,000	4,000
(g) Social Welfare	13,000	24,000	16,000	53,000	17,000
(h) Public Libraries	-	4,000	4,000	8,000	4,000
(i) Adult Literacy	-	8,000	6,000	14,000	6,000
TOTAL:	813,000	770,000	694,000	2,277,000	655,000

TABLE 7 (Continued)

INDIVIDUAL PROJECTS 1965/68

Category and Project	1965/66	1966/67	1967/68	Total	Residual Recurrent
	£	£	£	£	£
Administrative:					
P.W.D. Development Staff	35,000	25,000	24,000	84,000	29,000
Hydrological Survey	25,000	23,000	23,000	71,000	20,000
Economic Planning and Statistical Unit	14,000	7,000	9,000	30,000	9,000
U.N. Programmes (Local Contributions)	3,000	6,000	7,000	16,000	8,000
Population Census	-	35,000	-	35,000	-
Foot and Mouth Campaign Expenditure	25,000	-	-	25,000	-
	102,000	96,000	63,000	261,000	66,000

SWAZILAN

31°
30'
26°
30'
Nelspruit to Havelock 57 Miles
Kaapmuiden to Havelock 62 Miles
Hectorspruit 34 Mi
Carolina to Havelock 106 Miles
Johannesburg to Oshoek 226 Miles
To Johannesburg
Lothair to Waverley 35 Miles
Amsterdam to Sandlane 12 Miles
BARBERTON
TRANSVAAL
HAVELOCK
PIGGS PEAK
MBABANE
LOBAMBA
MATSAPA
MANZINI
MALKERNS
BUNYA
HHOHHO
MANZINI
SIDVOKODVO
MANKAIANA
Bearded Man 4772
Kombitobane 5054
Hhohho
Emvembili
Lomshiya
Wyldedale
Ngonini
Ndlalambi
Herefords
Mboma
Mayiwane
Gongolwane
Jacks
Fantoshi
Silhoya
Mpondla
Lesters
Nkamanzi
Sidwasheni
Zwide
Balegane
Croydon
Dokolwane
Kopoyi
Ettrick
Dumisa
Florence
Mkiweni
Sidokodo
Luve
Bekinkosi
Langshaw
Killarney
Scotts Dingdor
Mpisi
Macnabs
Kabudla
Mafuteni
Helehele
Nqulweni
Tulwane
Mposi
Olwandle
Gundwini
Peebles
Lesibovu
Ponjwani
Bulunga
Nkonyeni
Poors
Hendeleka
Syringa
Mvangatini
Singceni
Kagwebu
Labora
Skonjaans Hoek
Nyanyali
Sigcineni
Velezizweni
Madashane
Filmerton
Egabeni
Empini
Edwaleni
Nhlambeni
Masundwini
Luyengo
Lamgabi
Mangcongco
Sandlane
Clarence
Zwartkop
Dudusini
Nqabaneni
Stryd-poort
Mavela
Ngome
Nkanyezini
Baschhoek
Murphys Post
Nooitgedacht
Mcimane
Mcina
Vergelegen
Jacobsz
Maphalaleni
Nkaba
Malanti
Shiselweni
Waterfall
Forbes Reef
Bomvu Ridge
Kadake
Oshoek
Matjane
Ndumo
Hebron
Mpolonjeni
Tonkwane
Maloyo
Ulundi
Etshaneni
Kirkhill
Sipocosini
Lupohlo
Mantenga
Ezulwini
Kopola
Commissie Nek
Dlangeni
Sibebu
Tembalihle
Umbeluzi
Jubukweni
Sitheni
Nsingweni
Nkiliji
Lastpost
Skombeni
Nyakeni
Mgwenyane
Mallyaduma
St. Josephs
Zombode
Lozita
Kwaluseni
Mahlanya
Mhlambanyati
Ngcotshane
Usutu Forest
Great Usutu
Little Usutu
Black Umbeluzi
White Umbeluzi
Ngwempisi
Mhlambanyatsi
Nqabaneni
Nginamadolo
Ohlangotini
De Doorns
Ruby Creek
Msauli
Steynsdorp
Malkerns
Endingeni
Gungundhlovu
Bulandeni
St. Peregrines
Nkomanzi
Mpolonjeni
Rocklands
Kollolobodo
Mshinange
Vuvwenti
Ndumo
Forbes Reef
Jubukweni
Umbeluzi
Tembalihle
Sitheni
Nsingweni
Florence
Mkiweni
Sidokodo
Luve
Bekinkosi
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Scotts Dingdor
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Filmerton
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Nhlambeni
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Luyengo
Lamgabi
Mangcongco
Sandlane
Clarence
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Dudusini
Nqabaneni
Stryd-poort
Mavela
Ngome
Nkanyezini
Baschhoek
Murphys Post
Nooitgedacht
Mcimane
Mcina
Vergelegen
Jacobsz
Maphalaleni
Nkaba
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Waterfall
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Bomvu Ridge
Kadake
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Matjane
Ndumo
Hebron
Mpolonjeni
Tonkwane
Maloyo
Ulundi
Etshaneni
Kirkhill
Sipocosini
Lupohlo
Mantenga
Ezulwini
Kopola
Commissie Nek
Dlangeni
Sibebu
Tembalihle
Umbeluzi
Jubukweni
Sitheni
Nsingweni
Florence
Mkiweni
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Peebles
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Ponjwani
Bulunga
Nkonyeni
Poors
Hendeleka
Syringa
Mvangatini
Singceni
Kagwebu
Labora
Skonjaans Hoek
Nyanyali
Sigcineni
Velezizweni
Madashane
Filmerton
Egabeni
Empini
Edwaleni
Nhlambeni
Masundwini
Luyengo
Lamgabi
Mangcongco
Sandlane
Clarence
Zwartkop
Dudusini
Nqabaneni
Stryd-poort
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Ngome
Nkanyezini
Baschhoek
Murphys Post
Nooitgedacht
Mcimane
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Vergelegen
Jacobsz
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Waterfall
Forbes Reef
Bomvu Ridge
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Matjane
Ndumo
Hebron
Mpolonjeni
Tonkwane
Maloyo
Ulundi
Etshaneni
Kirkhill
Sipocosini
Lupohlo
Mantenga
Ezulwini
Kopola
Commissie Nek
Dlangeni
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Tembalihle
Umbeluzi
Jubukweni
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Nsingweni
Florence
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Kabudla
Mafuteni
Helehele
Nqulweni
Tulwane
Mposi
Olwandle
Gundwini
Peebles
Lesibovu
Ponjwani
Bulunga
Nkonyeni
Poors
Hendeleka
Syringa
Mvangatini
Singceni
Kagwebu
Labora
Skonjaans Hoek
Nyanyali
Sigcineni
Velezizweni
Madashane
Filmerton
Egabeni
Empini
Edwaleni
Nhlambeni
Masundwini
Luyengo
Lamgabi
Mangcongco
Sandlane
Clarence
Zwartkop
Dudusini
Nqabaneni
Stryd-poort
Mavela
Ngome
Nkanyezini
Baschhoek
Murphys Post

VAZILAND

30°
32°
Koopmuiden to Havelock
62 Miles
Hectorspruit to Hhohho
34 Miles
Komatipoort to Bordergate
43 Miles
N
MOZAMBIQUE
Lourenco Marques to
Nomahasha 44 Miles
26°
30°
Komhlabane
Hhohho
Emvembili
Lomshiya
Ngonini
Ndlalambi
Herefords
Mboma
Mahlanande
Vuvweni
Mayiwane
Gongolwane
Jacks
Fantoshi
Shumi
Sihoya
Bordergate
NOMAHASHA
Pundwini
Nkalashane
Mpondla
Lesters
Nkamanzi
Sidwasheni
Endingeni
Gungundhlovu
Bulandeni
Zwide
TSHANENI
1000
Litshe
MHLUME
860
Vuvulane
Pahleni
Mpiva
Tambankulu
Nokwane
Sherwood
Croydon
Dokolwako
Zandondo
Avondrust
Kopoyi
Ettrick
Dumisa
Florence
Mliba
Glenanil
Impala Ranch
Tambende
Ligima
Ngomane
Homestead
Balegane
Mumbeni
2374
St. Peregrines
Vergelegen
Jacobsz
Sicheni
Nsingweni
Mkiweni
Sidokodo
Panata
Ehlane
Luve
Nkilili
Lastpost
Bekinkosi
Scotts
Dinodor
Langshaw
Kukhanyeni
Killarney
Skombeni
Nyakeni
Mgwenyane
Mpisi
Engogolo
Mpaka
Waweni
Mallyaduma
St. Josephs
Macnabs
Malinda
Mafuteni
Kabudla
BITUMINOUS COAL
Kalanga
Lokayisa
Dumezulu
2574
Kwaluseni
Helehele
Nqulweni
Lubhuku
Mkutshane
LUBOMBO
MATSAPA
2100
MANZINI
2010
Olwandle
Masundwini
Gundwini
Nhlambeni
Peebles
SIDVOKODVO
1100
Tulwane
Mposi
Sigcaweni
Vikisijula
Red Tiger
Luzinyane
2903
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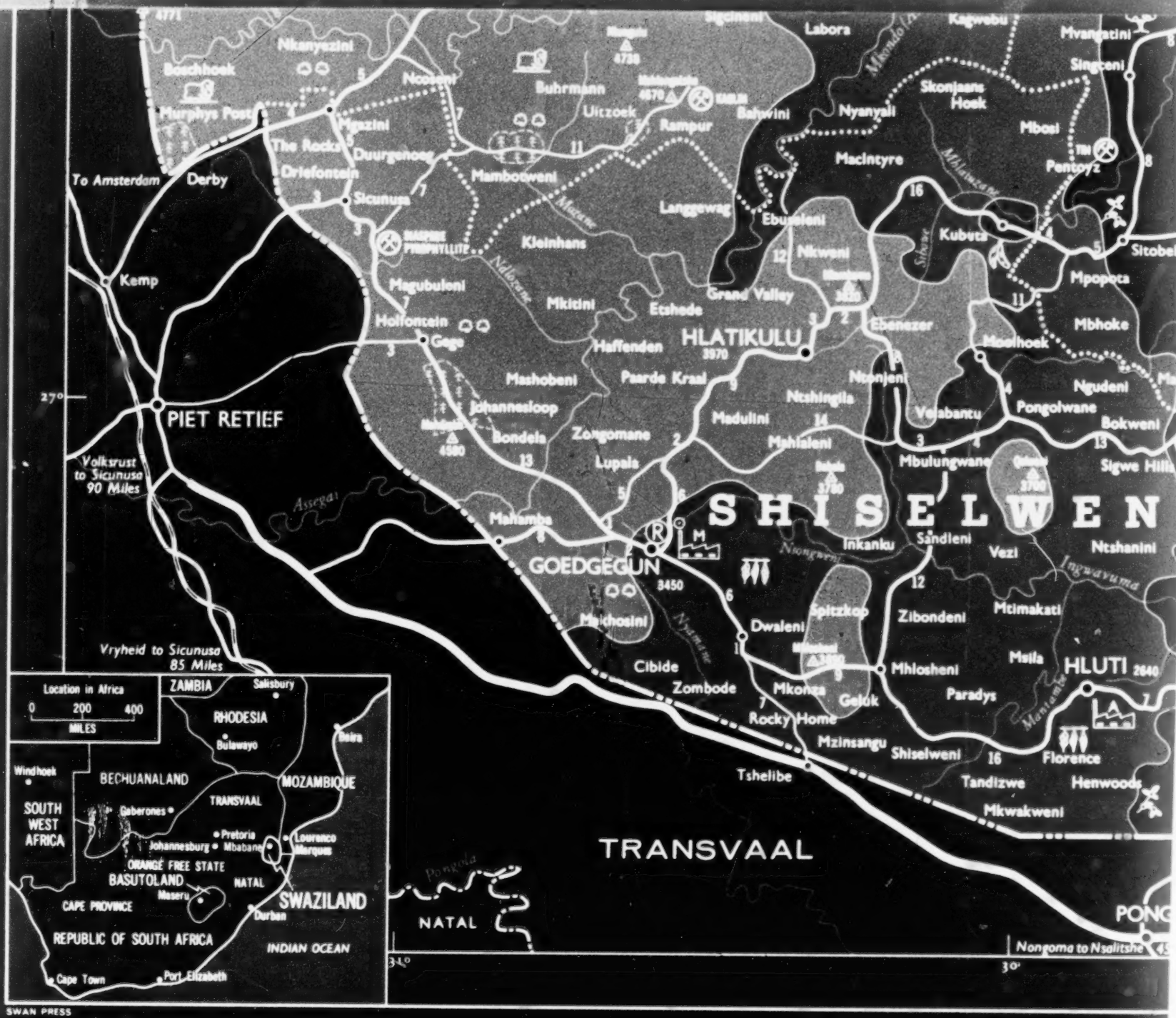
Bulunga
Ponjweni
Sipofaneni
Nkonyeni
Filmerton
Egabeni
Empini
Poort
Hendelela
Syringa
Otandweni
Mvangatini
Kagwebu
Labora
Phuzumoya
Diamond C
Tambuti
Qandatshe
Magomba
Mpolonjeni
Ngcina
Loyiwe
Tshelani
Kayalihile
Bar Circle
Sifunga
Mambane
Matanjeni
Tikuba
Ganspan
Mapungwane
Groenings
Mhlababomvu
Palata
Muti Muti
Sterkfontein
Moyeni
STEGI
2150
Lukhula
Kumbane
Oribi
Groenpan
Nzotho
Cyrildene
Mhlumeni
Goba Fronteira
To Catuone
MLAWULA
500
Blue Jay
Hersov
Hunters Rock
GOBA
Shewula
Umbeluzi Poort
Dumo
1814
Nkonjane
Mbuluzane
2179
Statsweni
1923
Sikaya
1526
Pupo
1549
Mbuluzane
Mayime
Palata
Nkalashane
Umbeluzi
Black Umbeluzi
White Umbeluzi
Mbuluzane
Mayime
Usutu
Mbuluzane
Mbuluzane
Mbuluzane



REGIONS

HIGHVELD	average height	4,000 Ft
MIDDLEVELD (Centre)	average height	2,000 Ft
LOWVELD	average height	700 Ft
LEBOMBO (East)	average height	1,800 Ft
SPOTHEIGHT (in feet)		

Mean Height Above Sea Level is Given in Feet for Swaziland Towns

COMMUNICATIONS

- Main Road-Tar
- Main Road-Gravel
- Minor Road
- 3 — Distances Given on Swaziland Roads to Nearest Mile
- Railway
- Important Airfield
- Aerial Ropeway (Havelock Mine to Barberton)

MAIN CROP AREAS

- Bananas
- Citrus
- Cotton
- Pineapples
- Rice
- Sugar Cane
- Tobacco
- Vegetables
- Wattle

MAIN INDU

- Bone Meal Fact
- Butter Factory
- Cotton Ginnery
- Fruit and Veget
- Maize Mill
- Malt Factory
- Rice Mill
- Saw Mill
- Sugar Mill
- Wood Pulp Mill

NOTE: MAIZE AND CATTLE ARE WIDELY DISTRIBUTED THROUGHO

- Beef Cattle Farming
- Trek Sheep Farming

Labora
Kagwebu
Mvangatini
Otandweni
Singceni
Mlondo
Mhlatuzane
Mapobeni
Bar Circle
Ubombo
Sifunga
Nkonjane
Skonjaans Hoek
Nyanyali
Mbozi
Magongolweni
Bar J
Gucuka
Lugoba
BIG BEND 400
Lokwini 2142
Waspageni
Macintyre
Mhlatuzane
Pentoyz
Lovati
Eboli
Usutu Poort
Abercorn
Madubeni
St. Philips
Dumisa
Twin Ridge
Kubuta
Silobela
Sitobela
Mhlatuze
Rondspring
Ncandu
Mpopoza
Zwakela
Danie
Ebenezer
Mbhoke
Poponyane
Sinyamatulu
NATAL
Moolhoek
Nhloya
Craggiemore
Zombisu
Maloma
Ngudeni
Canterbury
Totfolme 2260
Pongolwane
Bokweni
Keswick
ANTHRACITE
Lubuli
Nsoko
27°
Mbulungwane
Sigwe Hills
Ntutwakazi
Sikhele
Molemo
Ingwavuma Poort
HISELWENI
Olakeni
Richmond
Inkanku
Sandleni
Vezi
Ntshanini
Hlalugane
Lismore
To Kosi Bay
Spitzkop
Zibondeni
Mtimakati
Nyaningo
Qomintaba
INGWAVUMA
Nkutshini
Kohrsboom
Mhlosheni
Msila
HLUTI 2640
Mandolo 2404
Hlushwane
Paradys
Matanjeni
Zonder-water
Border 2400
Mzinsangu
Shiselweni
Florence
Mgamudi
CROWN LAND 166
Tandizwe
Henwoods
Vimy Ridge
Mkwakweni
Nsalitshe
GOLLEL 610
Golela
PONGOLA
Nongoma to Nsalitshe 45 Miles
Durban to Gollel 248 Mls
Ubombo to Richmond 63 Miles
30°
32°
30 Miles

Compiled by
E. Murdoch Cartographer

Prepared and Published by the Department of Agriculture, Mbabane 1965.
Information on Minerals by Permission of the Department of Geological Survey and Mines.
Drawn by the Air Survey Co. of Swaziland Ltd. Mbabane.

AREAS

MAIN INDUSTRIES

- Bone Meal Factory — A
- Butter Factory — B
- Cotton Ginnery — C
- Fruit and Vegetable Cannery — F
- Maize Mill — M
- Malt Factory — N
- Rice Mill — R
- Saw Mill — W
- Sugar Mill — S
- Wood Pulp Mill — P

MISCELLANEOUS

- River
- Irrigation Scheme
- Pine and Gum Forest
- Cattle Holding Ground
- New Farm Settlement Scheme
- National Grid Hydro-electric Station
- Agricultural Research Station
- Unit Holding
- International Frontier
- Boundary of Administrative District
- Province Boundary

D CATTLE ARE WIDELY DISTRIBUTED THROUGHOUT THE TERRITORY

- Beef Cattle Farming
- Trek Sheep Farming

MAJOR MINERAL OCCURRENCE

- Mine